

Report 39



NATIONAL WAR PROGRAM  
MONTHLY PROGRESS REPORT

December 31, 1943

Prepared by  
Bureau of the Budget  
Executive Office of the President



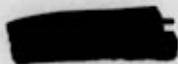
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E.O. 11852, Sec. 3(a) and 5(D) and (E)

omb letter 11-27-72

By SLR NARS Date JAN 22 1973

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## I. SUMMARY

Aircraft Production: 84.0 million pounds of military airframes were accepted in December, making a total of 742 million pounds for 1943. The number of aircraft accepted in December totaled 8,802, of which 1,224 were four-engine bombers. (Pages 2-3)

Army Air Forces: 23,817 first-line combat planes were on hand on December 31. Active duty personnel of the Army Air Forces totaled 2,383,000 on December 1, and 83,500 were pilots. (Pages 4-6)

Navy Aeronautical Program: The Navy had 15,349 combat airplanes on hand on December 23. Navy and Marine Corps military aeronautical personnel totaled 273,680 on December 1, and 36,184 were pilots. (Pages 7-8)

### Active Military Strengths:

	<u>Total All Classes</u>	<u>Date</u>
Army .....	7,471,000	Dec. 31
Navy, Marine Corps, and Coast Guard ..	2,910,000	Dec. 15
The Army reported 2,490,000 overseas .....		Dec. 31

(Pages 12-13, 26-27)

### Selected Ordnance Production

	<u>October</u>	<u>November</u>
Torpedoes, submarine .....	872	794
Medium tanks .....	1,245	1,186
Guns, 90mm antiaircraft .....	93	44
Guns, 155mm (field) .....	60	56
Carbines .....	411,357	530,245

(Pages 9-10, 25)

Navy Ship Construction: Preliminary reports indicate that 570 combatant vessels were completed in 1943: 2 battleships, 15 aircraft carriers, 51 aircraft carrier escorts, 4 heavy cruisers, 7 light cruisers, 129 destroyers, 305 destroyer escorts, and 57 submarines. (Pages 15-22)

Merchant Shipping: During 1943 the United Nations built 21.6 million dwt. of merchant vessels, while losses reported were 5.4 million dwt. December gains were 2.4 million dwt. and losses 310,000 dwt. (Pages 28-30)

## II. AERONAUTICAL PROGRAM

### December Aircraft Production

Preliminary reports indicate that 84 million pounds of airframes (spares included, gliders excluded) were accepted in December, bringing the total for 1943 to 742 million pounds — 19 percent below the 911 million pounds scheduled last May for 1943. The weight accepted in December increased 4 percent over November.

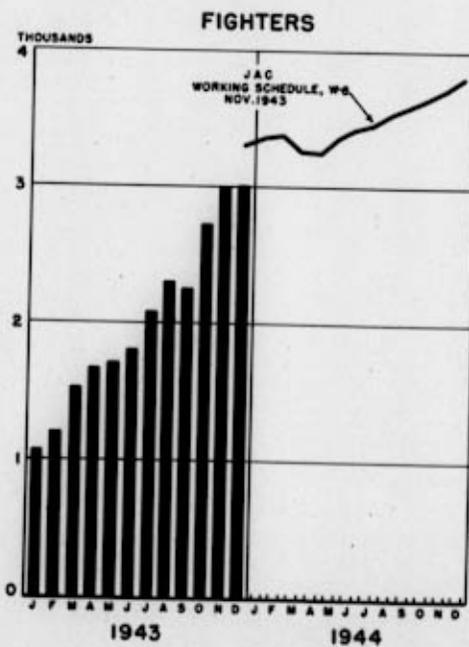
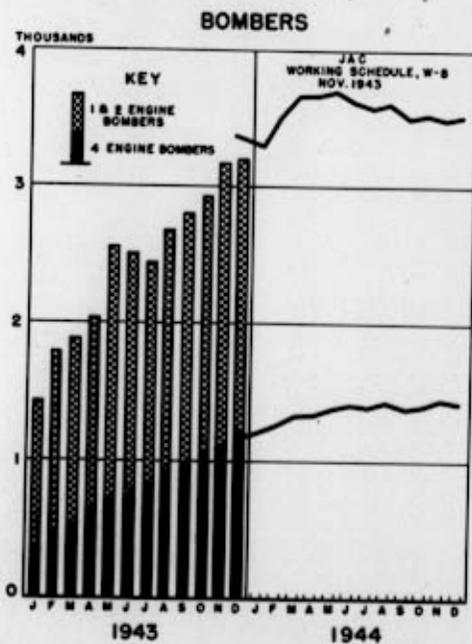
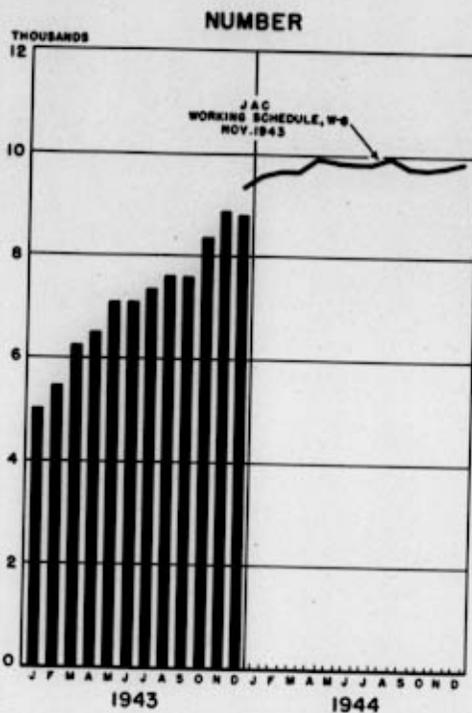
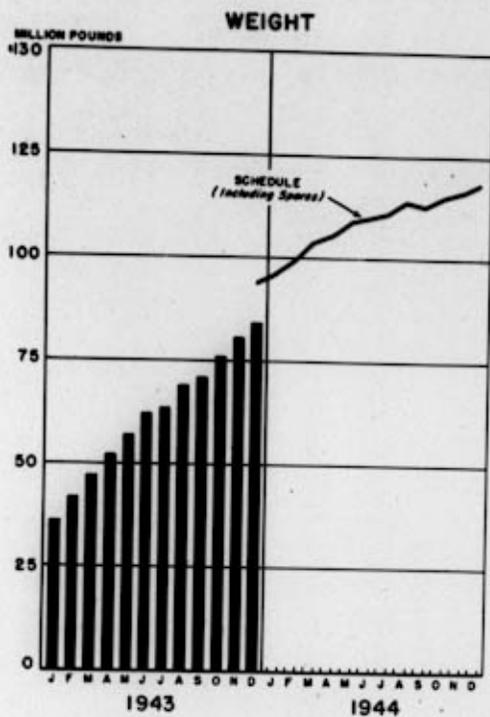
There were 8,802 military aircraft accepted in December, making a total of 85,903 for 1943, as compared with 47,873 for 1942 and 116,525 scheduled for 1944. 1,224 four-engine bombers were accepted, including 35 B-29's. Two plants had initial acceptances of B-29's in December — Bell at Atlanta and Martin at Omaha.

### Aircraft Acceptances

Type	Dec. 1943	Total 1942	Total 1943	Scheduled 1944*
Bomber, 4-engine, long-range	35	0	92	1,384
Bomber, 4-engine, other	1,189	2,618	9,524	14,885
Bomber, 2-engine	1,042	7,288	10,472	13,438
Bomber, 1-engine	923	2,768	9,380	12,094
Fighter	3,008	10,994	24,276	41,333
Reconnaissance	27	1,245	449	244
<b>Total combat</b>	<b>6,224</b>	<b>24,913</b>	<b>54,193</b>	<b>83,378</b>
Transport, 4-engine	18	70	183	961
Transport, 2- & 1-engine	746	1,910	7,090	10,214
<b>Total tactical</b>	<b>6,988</b>	<b>26,893</b>	<b>61,466</b>	<b>94,553</b>
Trainer	1,332	17,646	19,569	13,787
Liaison	460	3,149	4,358	4,060
Rotary wing	1	1	17	1,124
Target and drone	21	184	493	3,001
<b>Grand total</b>	<b>8,802</b>	<b>47,873</b>	<b>85,903</b>	<b>116,525</b>

\*W-8 schedule as revised through December 30, 1943.

# MONTHLY ACCEPTANCES OF MILITARY AIRPLANES



Army Air Forces

A. Airplanes. The number of airplanes of the AAF doubled during 1943, reaching a total of 60,601. Of these, 23,817 were first-line combat planes--over 2½ times as many as were on hand at the first of the year. Fifty per cent of the combat planes were overseas on December 31.

A.A.F. Airplane Inventories—January 1 and December 31, 1943

	Bomber			Fighter	Trans- port	Other	Total
	Heavy	Medium	Light				
January 1, 1943	1,996	1,628	641	4,453	1,297	20,321	30,336
Increase, 1943	5,098	2,140	458	6,875	5,169	10,525	30,265
Dec. 31, 1943	7,094	3,768	1,099	11,328	6,466	30,846	60,601

Airplanes of the Army Air Forces on Hand  
Nov. 30, Dec. 31, and Gains and Losses in December

Type	On Hand Nov. 30 1943	December		On Hand Dec. 31 1943	Net Gain
		Gains	Losses*		
<u>Combat</u>					
Bomber, heavy, long-range	32	44	0	76	44
Bomber, heavy, other	6,225	1,173	380	7,018	793
Bomber, medium	3,530	435	197	3,768	238
Bomber, light	983	150	34	1,099	116
Fighter	10,402	1,617	691	11,328	926
Reconnaissance	393	163	28	528	135
Total combat	21,565	3,582	1,330	23,817	2,252
<u>Transport</u>					
Heavy	424	48	23	449	25
Medium	2,564	182	61	2,685	121
Amphibian	29	0	0	29	0
Utility	3,121	228	46	3,303	182
Total transport	6,138	458	130	6,466	328
Total combat and transport	27,703	4,040	1,460	30,283	2,580
<u>Trainers</u>	25,819	681	449	26,051	232
<u>Communications</u>	3,989	356	78	4,267	278
Total, all types	57,511	5,077	1,987	60,601	3,090

\*Includes losses from enemy action, conversion, etc.

B. Personnel of the Army Air Forces. The active duty strength of the Army Air Forces, including personnel assigned from other services, totaled 2,383,370 on December 1 — an increase of 27,203 during November and 97 percent of the requirements for the 273-group program by December 31, 1944. Pilots on active duty were 70 percent of required strength by the end of 1944.

Active Duty Strength of the Army Air Forces, December 1, 1943  
and Minimum requirements for 273 Groups by December 1944

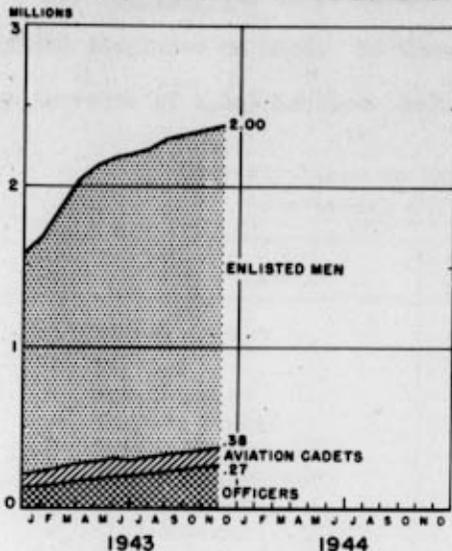
Type of Personnel	Officers	Enlisted	Total	Minimum Requirements for 273 Groups by Dec. 1944
Pilots (includes glider and service)	81,841	1,628	83,469	118,736
Aviation cadets	—	115,515	115,515	84,382
Pre-aviation cadets	—	136,969	136,969	—
Bombardiers and navigators	28,565	435	29,000	41,611
Observers	636	—	636	887
Engineers	7,519	—	7,519	5,926
Mechanics	—	239,682	239,682	289,244
Armorsers	—	60,577	60,577	83,005
Communications	4,019	—	4,019	6,265
Radio operators	—	42,561	42,561	76,040
Other, Army Air Corps	86,862	978,431	1,065,293	1,054,708
Total, Army Air Corps	209,442	1,575,798	1,785,240	1,760,804
Assigned from other branches	56,188	541,942	598,130	706,157
Total, Army Air Forces	265,630	2,117,740	2,383,370	2,466,961

C. Flying Training. During November, 6,527 pilots were graduated from advanced training. Since the beginning of the war emergency, a total of 88,568 pilots have completed advanced training.

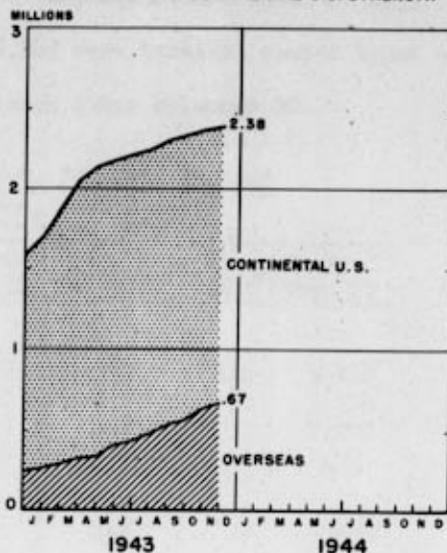
# ARMY AIR FORCES MILITARY PERSONNEL (INCLUDES PERSONNEL ASSIGNED FROM THE ASF AND AGF)

## I. TOTAL STRENGTH

OFFICERS, AVIATION CADETS AND ENLISTED MEN

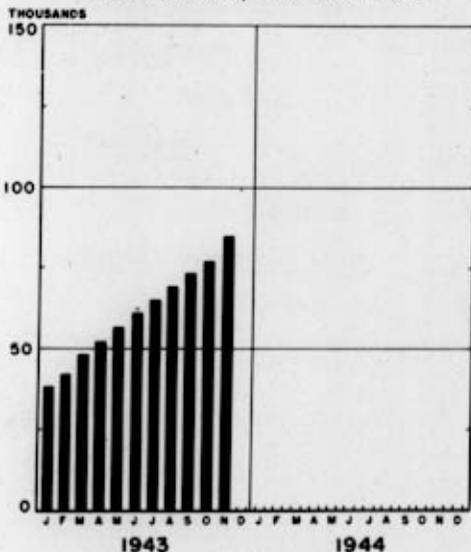


OVERSEAS AND CONTINENTAL U.S. STRENGTH

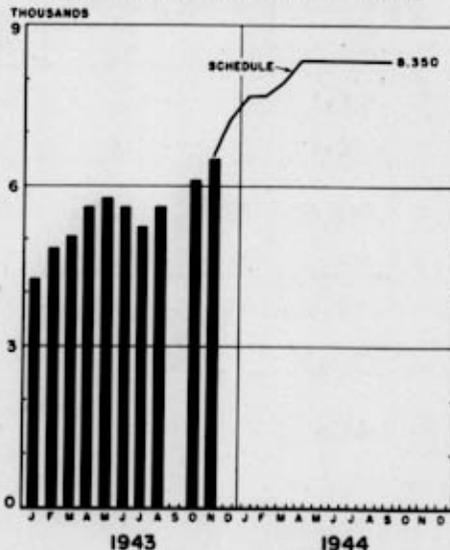


## 2. PILOTS AND PILOT TRAINING

COMBAT, SERVICE, AND GLIDER PILOTS



GRADUATES OF ADVANCED PILOT TRAINING



Bureau of Aeronautics

A. Airplanes. On December 23, the Navy reported a total of 26,105 useful airplanes on hand. Of these, 15,349 were tactical combat types — an increase of 1,163 tactical combat planes since November 30.

Navy Airplanes on Hand, Nov. 30, Dec. 23, and  
Acceptances and Losses, Dec. 1 to 23

Type	On Hand Nov. 30	Dec. 1 to 23		On Hand Dec. 23
		Accepted	Lost	
<u>Tactical Combat</u>				
Fighter	4,678	733	144	5,267
Scout bomber	3,633	312	50	3,895
Torpedo bomber	2,093	172	53	2,212
Patrol bomber—boat	1,238	78	11	1,305
Bomber—landplane:				
4-engine	307	9	8	308
2-engine	751	109	9	851
Observation scout	1,486	37	12	1,511
Subtotal	14,186	1,450	287	15,349
<u>Tactical Non-Combat</u>				
Utility	551	24	1	574
Transport	777	17	2	792
Subtotal	1,328	41	3	1,366
<u>Training</u>	8,819	295	31	9,083
Total tactical and training	24,333	1,786	321	25,798
<u>Experimental and Misc.</u>	297	17	7	307
Grand total	24,630	1,803	328	26,105

B. Personnel. The active duty strength of the Navy and Marine Corps military aeronautical personnel was 273,680 on December 1, or 93 percent of the requirement on December 31, 1943 of 293,076.

The number of aviation pilots on active duty on December 1 was 92 percent of required strength by December 31, 1943.

Navy and Marine Corps Active-Duty Military Aeronautical Personnel  
December 1, 1943 and Requirements for December 31, 1943

	Navy		Marine Corps		Total	
	Require- ments 12-31-43	Actual Dec. 1	Require- ments 12-31-43	Actual Dec. 1	Require- ments 12-31-43	Actual Dec. 1
<u>Pilots</u>	30,705	28,249	8,435	7,935	39,140	36,184
<u>Other</u>						
Officers	24,395	24,565	3,084	3,360	27,479	27,925
Enlisted	147,457	135,984	79,000	73,587	226,457	209,571
Total	202,557	188,798	90,519	84,882	293,076	273,680

C. Pilot Training. From January 1, 1942 through November 12, 1943, the Navy, Marine Corps, and Coast Guard commissioned 24,947 pilots — 1,477 since October 15.

Student pilots in training for heavier-than-air planes on December 1 totaled 43,410, and 9,883 of these were in the last stage of training prior to commissioning. The total is an increase of 975 over the number in training on November 1.

III. ARMY

Status of 1943 Deliveries of Selected Critical Ordnance Materiel  
 (Includes International Aid and Navy Items Procured by Army)

Item	Nov.	Undelivered Balance in 1943 A.S.P.*	Jan. 1, 1943 to Dec. 1, 1943					
			Cumulative	Percent of 1943 ASP**				
				0	25	50	75	100
<u>Aircraft Gun**</u>								
20mm	3,200	2,414	67,586					
37mm	850	2,745#	6,387					
<u>Antiaircraft Gun**</u>								175%
40mm	825	735	12,708					
90mm	44	41	3,431					
<u>Combat Vehicles</u>								
Light tanks	348	862	3,590					
Medium tanks	1,186	1,140	20,175					
<u>Heavy Duty Truck</u>								
4 ton, 6 x 6	621	2,627	7,219					
4-5 ton, 4 x 4	284	421	4,398					
6 ton, 6 x 6	646	1,602	5,787					
10 ton, 6 x 4	464	770	4,173					
10 ton, 6 x 6	196	530	1,826					
<u>Artillery**</u>								
60 and 81mm mortar	2,174	1,558	22,111					
75mm howitzer (S.P., field, and pack)	290	62	3,894					
105mm howitzer (S.P. and field)	391	155	5,360					
155mm howitzer	170	62	1,304					
155mm field gun	56	42	554					
<u>Small Arms</u>								
.30 cal. US rifle, M1	126,100	84,797	1,095,233					
.30 & .303 cal. rifle (all other U.S.)	141,840	268,932	1,492,876					
.30 cal. carbine	530,245	578,775	2,439,732					
.30 cal. machine gun	10,840	24,695	177,510					
.50 cal. machine gun	59,208	58,635	587,086					

\*Army Supply Program as of November 30, 1943.

\*\*Proof firing may not be complete.

#Cumulative production in excess of 1943 A.S.P. requirements.

11 mo. = 92% of year

92%



War Construction Program by the Corps of Engineers

To December 1, the Office of the Chief of Engineers had authorized a total of \$10.7 billion for emergency projects under its War Construction Program:

Construction in the United States ..... \$10.0 billion  
 Construction outside the United States ..... .7 billion  
 Total ..... \$10.7 billion

Status of War Construction Program -- December 1, 1943

Type of Facilities	Estimated Cost		Work Actually in Place						
	Mil- lions	% of Total	Mil- lions	Percent of Estimated Cost					
				%	0	25	50	75	100
<u>War Construction Program</u>									
Air Force	\$2,976	28%	\$2,897	97%					
Ground Force	2,710	25	2,684	99					
Storage and shipping	961	9	941	98					
Industrial	2,879	27	2,842	99					
Outside U. S.	719	7	589	82					
Other	431	4	420	97					
Total, Dec. 1	10,676*	100%	10,373*	97					
Total, Nov. 1	10,645*		10,237*						
Increase	\$31		\$136						

\*Excluding Real Estate Program.

The status of the program of construction in the United States, covering major projects only, on December 1 was as follows:

Status of Major Projects of the War Construction Program\*  
By Stages of Completion -- December 1, 1943

Stage of Completion	Number of Projects	Estimated Cost	Percent of Total Cost
Completed	1,974	\$8,345,524,000	92.3%
Under construction	176	688,410,000	7.6
Not started	11	10,031,000	.1
Total	2,161	\$9,043,965,000	100.0%

\*Jobs of \$500,000 and over.

ARMY MILITARY PERSONNEL

12

Military Personnel

A. Strength. The active duty strength of the Army increased about 2,138,000 during 1943. The estimated increase for December was 65,335, bringing the total to 7,471,000 on December 31, 1943.

Distribution of the Army Active Duty Strength, by Class  
November 30, December 31, and Increase

Class of Personnel	Nov. 30 Actual	Dec. 31 Estimated	December Increase
Commissioned officers	609,836	616,136	6,300
Warrant and flight officers	25,736	25,965	229
Enlisted men and selectees	6,676,669	6,734,866	58,197
W.A.C.	56,945	57,367	422
Subtotal	7,369,186	7,434,334	65,148
Army Nurse Corps	36,479	36,666	187
Total	7,405,665	7,471,000	65,335

During December, the Army active duty strength overseas increased 179,188 to a total of 2,490,307 or 33 percent of the total Army strength.

Disposition of Army Active Duty Military Personnel  
By Assignment -- November 30, December 31, and Increase

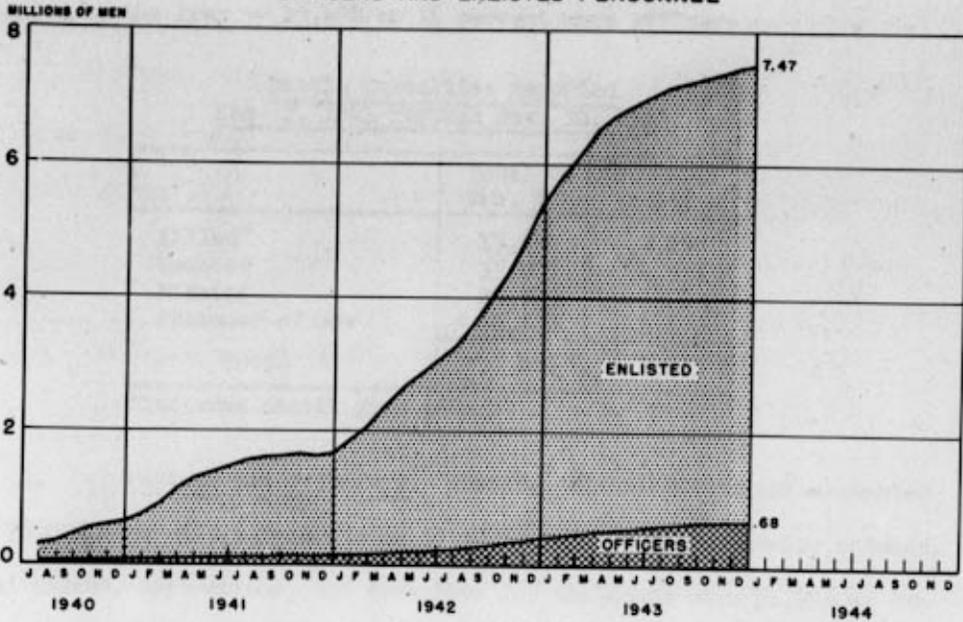
Assignment of Personnel	Nov. 30 Actual	Dec. 31 Estimated	December Increase
Army Ground Forces in U.S.	1,840,419	1,757,431	-82,988
Army Air Forces in U.S.	1,631,631	1,559,903	-71,728
Army Service Forces in U.S.	1,276,483	1,220,361	-56,122
In defense commands in U.S.	165,899	165,899	0
In staging areas	123,401	133,597	10,196
In ships	56,713	143,502	86,789
Overseas	2,311,119	2,490,307	179,188
Total	7,405,665	7,471,000	65,335

On December 31, the total active duty military personnel was distributed as follows: Ground Forces, 3,081,989 or 41 percent; Air Forces, 2,291,431 or 31 percent; and Service Forces, 2,097,580 or 28 percent.

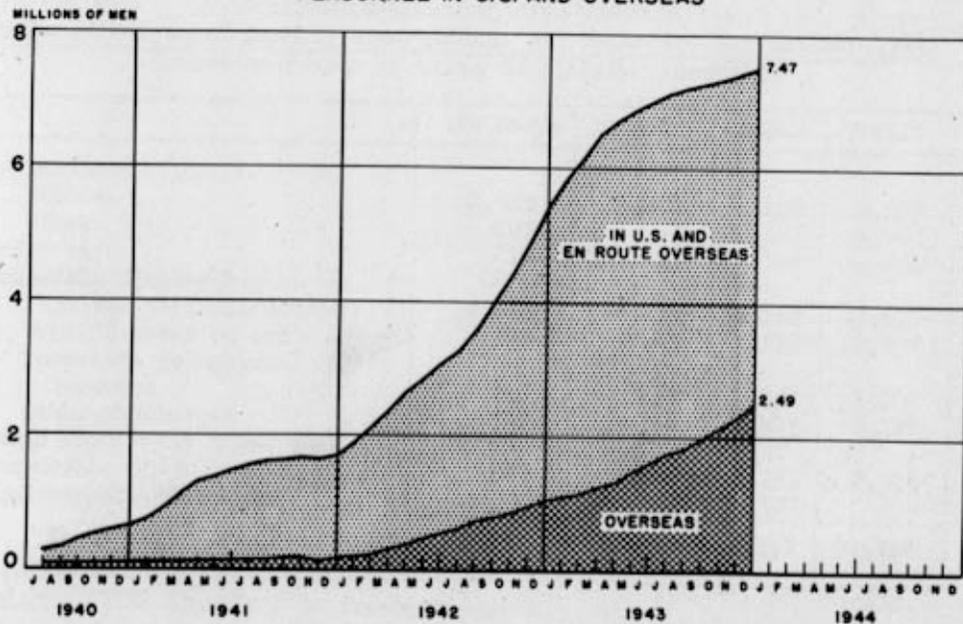
CHART 3

# ARMY MILITARY PERSONNEL

## OFFICERS AND ENLISTED PERSONNEL



## PERSONNEL IN U.S. AND OVERSEAS



B. Casualties. To December 1, 96,686 battle casualties have been reported by the Army -- 13,472 or 14 percent were officers.

Battle Casualties Reported  
Dec. 7, 1941 Through Nov. 30, 1943

	Total to Nov. 30	November Increase
Killed*	15,334	2,298
Wounded	35,049	4,531
Missing	23,725	-1,002
Prisoner of war	22,578	1,699
<b>Total</b>	<b>96,686</b>	<b>7,526</b>

\*Includes deaths from wounds.

C. Separations and Transfers. Physical disqualifications accounted for 78,075 separations from the enlisted ranks of the Army during October. Total deaths, separations, and transfers for the month were 91,296 as compared with 103,933 in September.

Enlisted Personnel Deaths, Separations, and Transfers for October 1943  
(Based on Number of Cases Completely Processed)

	Air Corps	Infantry	Other	Total*
<b>Casualties:</b>				
Battle	2,029	1,460	446	3,935
Other	407	147	447	1,001
Retirement	16	23	115	154
<b>Honorable Discharge:</b>				
Physical disqualification	10,014	16,794	51,267	78,075
Over 38 years of age	397	103	1,532	2,032
Important to national interest	245	243	752	1,240
Other discharges	309	388	1,447	2,144
Under conditions other than honorable	287	476	1,553	2,316
Dishonorable discharge	0	0	399	399
<b>Total</b>	<b>13,704</b>	<b>19,634</b>	<b>57,958</b>	<b>91,296</b>

\*Includes 2,078 transfers to inactive status.

IV. NAVYPreliminary Summary of 1943 Accomplishments

The total of 3,800,000 tons of all types of naval vessels completed in 1943 was about  $2\frac{1}{4}$  times that of 1942. This sharp increase was realized even though there were several shifts of emphasis in the program as to types of vessels. At the beginning of the year much emphasis was being placed on the Destroyer Escort Program, but later this program was reduced to make way for additional landing craft. In addition, mine and patrol craft programs were cut back. However, in July additional combatant tonnage of 1,900,000 was authorized.

Combatant Vessels: During the year, the production of combatant ships totaled over 1,590,000 tons—nearly three times that of 1942 and greater than the tonnage on hand at the beginning of the defense program. Included in the year's production were two 45,000-ton battleships, the IOWA and the NEW JERSEY; six 27,100-ton ESSEX-class aircraft carriers; nine 11,000-ton INDEPENDENCE-class carriers; and 51 "baby flat-tops", aircraft carrier escorts.

Preliminary Statement of Completions of Combatant Vessels, 1943

2 - 45,000 ton battleships	7 - Light cruisers
6 - 27,100 ton carriers	129 - Destroyers
9 - 11,000 ton carriers	305 - Destroyer escorts
51 - "Baby flat-tops"	57 - Submarines
4 - Heavy cruisers	570 Total

Patrol and mine craft completions totaled 1,090 units, including 286 motor torpedo boats — an increase of 51 percent over 1942.

Auxiliary vessels completed in 1943 totaled 390 vessels aggregating 940,000 tons—almost twice the number and half again the tonnage of 1942.

Landing craft: Over 16,000 landing ships were completed in 1943, in addition to 5,600 rubber boats, 7,600 other small boats, and 500 district craft.

Aircraft production under Navy cognizance for 1943 reached 23,400 airplanes as compared with 9,796 in 1942, an increase of 139 percent. Of these, 20,385 were for its own use. In terms of total airframe weight, the increase is even more striking—143 million pounds, excluding weight of spare parts, as against 40 million, or 258 percent. On July 1, 1940 Navy air strength was 1,744 planes, of which 1,197 were combat; by December 31, 1943 it was approximately 26,000 planes, of which about 15,350 were combat.

Ordnance production amounted to \$2.1 billion in value compared with \$893 million in 1942—135% increase. Percentage increases of selected items were: antiaircraft guns, 79%; antiaircraft ammunition, 191%; surface-fire ammunition, 374%. The value of monthly production rose from \$133 million in January 1943 to about \$220 million in December. Some notable production increases were: 5"/38 Mk 37 merchant-type assemblies, from 27 in January to 125 in December or 363%; torpedoes, from 633 in January to approximately 2,000 in December or 216%; high capacity ammunition, from 9,000 rounds in January to 50,000 in December or 456%.

Active military personnel of the Navy, Marine Corps, and Coast Guard increased 81 percent from 1,638,000 at the end of 1942 to 2,969,000 on December 31, 1943. This increase was distributed as follows: Navy 1,129,000, Marine Corps 171,000, and Coast Guard 31,000.

Aviation cadet pilots numbering 20,550 were trained and added to the Navy and Marine Corps during 1943 — an increase of 9,770 over the number trained in 1942.

CONSTRUCTION PROGRESS  
IN BATTLESHIPS AND AIRCRAFT CARRIERS

Status of Construction of Selected Naval Vessels

Of 1,015 combatant vessels on order on December 20, 19 percent had been launched, 23 percent were on the ways, and 58 percent had not been placed on the ways.

Status of Construction of Selected Naval Vessels, Dec. 20, 1943  
(Includes Lend-Lease Vessels)

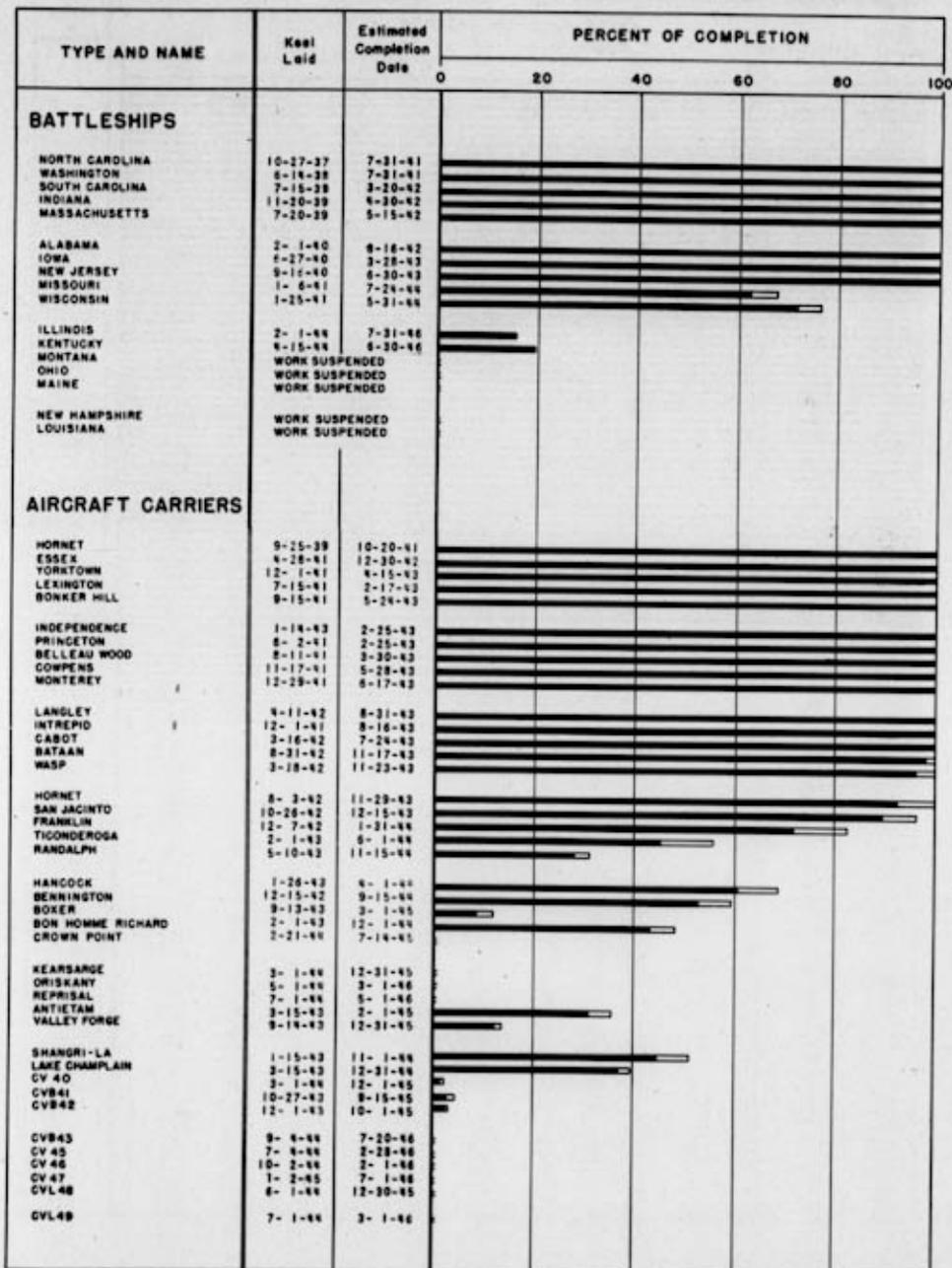
Type	New Construction on Order				Con- vert- ing	Add'l Auth.
	Not Yet on Ways	On Ways	Launch- ed	Total		
<b>Combatant Vessels:</b>						
Battleships	2	1	1	4	0	0
Aircraft carrier	11	12	1	24	0	0
Aircraft carrier, escort	11	4	7	22	33	0
Large cruiser	0	1	2	3	0	0
Heavy cruiser	15	10	0	25	0	0
Light cruiser	24	16	5	45	0	0
Destroyer	153	41	32	226	0	0
Destroyer escort	209	97	115	421	0	0
Submarine	167	48	30	245	0	0
<b>Total combatant</b>	<b>592</b>	<b>230</b>	<b>193</b>	<b>1,015</b>	<b>33</b>	<b>0</b>
Patrol craft	96	117	184	397	82	0
Mine craft	69	83	105	257	0	0
Auxiliaries	120	74	90	284	339	170
Landing force vessels*	1,043	79	40	1,162	0	12

\* LST, LSD, and LCI(L)

## CONSTRUCTION PROGRESS ON BATTLESHIPS AND AIRCRAFT CARRIERS

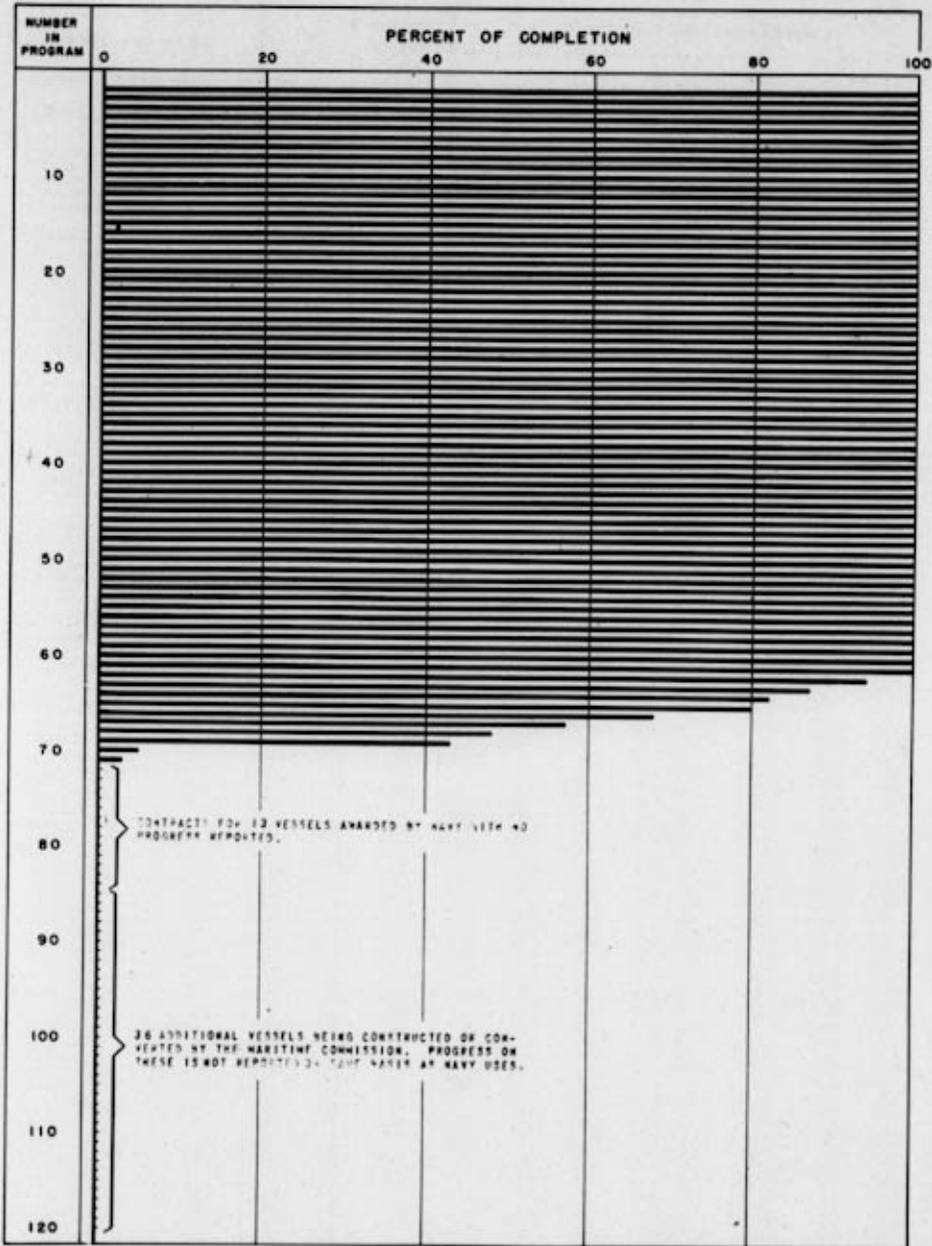
■ PROGRESS JULY 1, 1940 TO NOVEMBER 1, 1943

▬ PROGRESS FOR NOVEMBER 1943



# CONSTRUCTION PROGRESS ON AIRCRAFT CARRIERS, ESCORT

■ PROGRESS JULY 1, 1940 TO DECEMBER 1, 1943



# CONSTRUCTION PROGRESS ON LARGE AND HEAVY CRUISERS

■ PROGRESS JULY 1, 1940 TO NOVEMBER 1, 1943

□ PROGRESS FOR NOVEMBER 1943

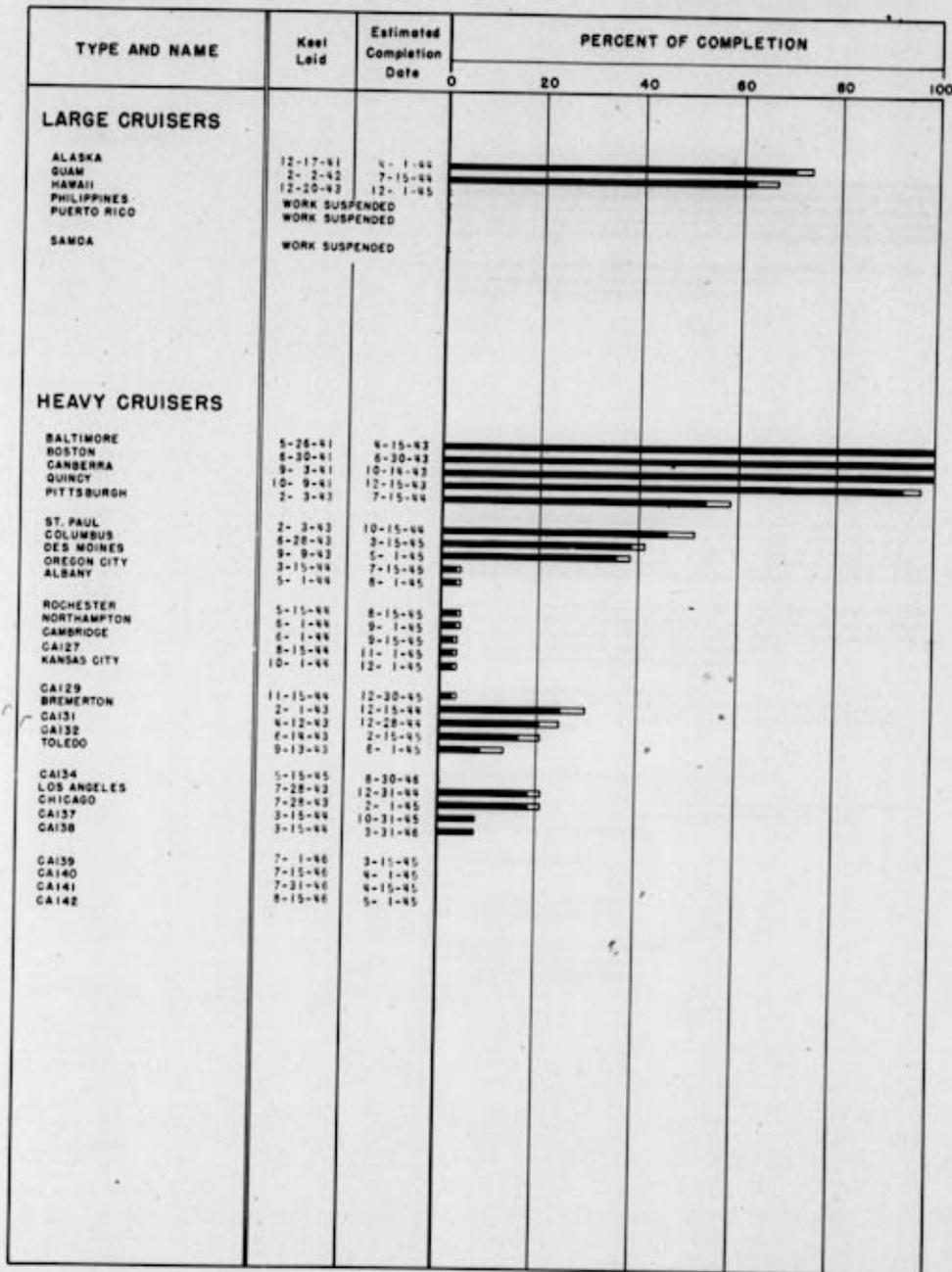
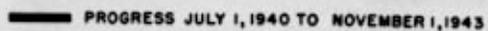
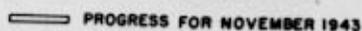
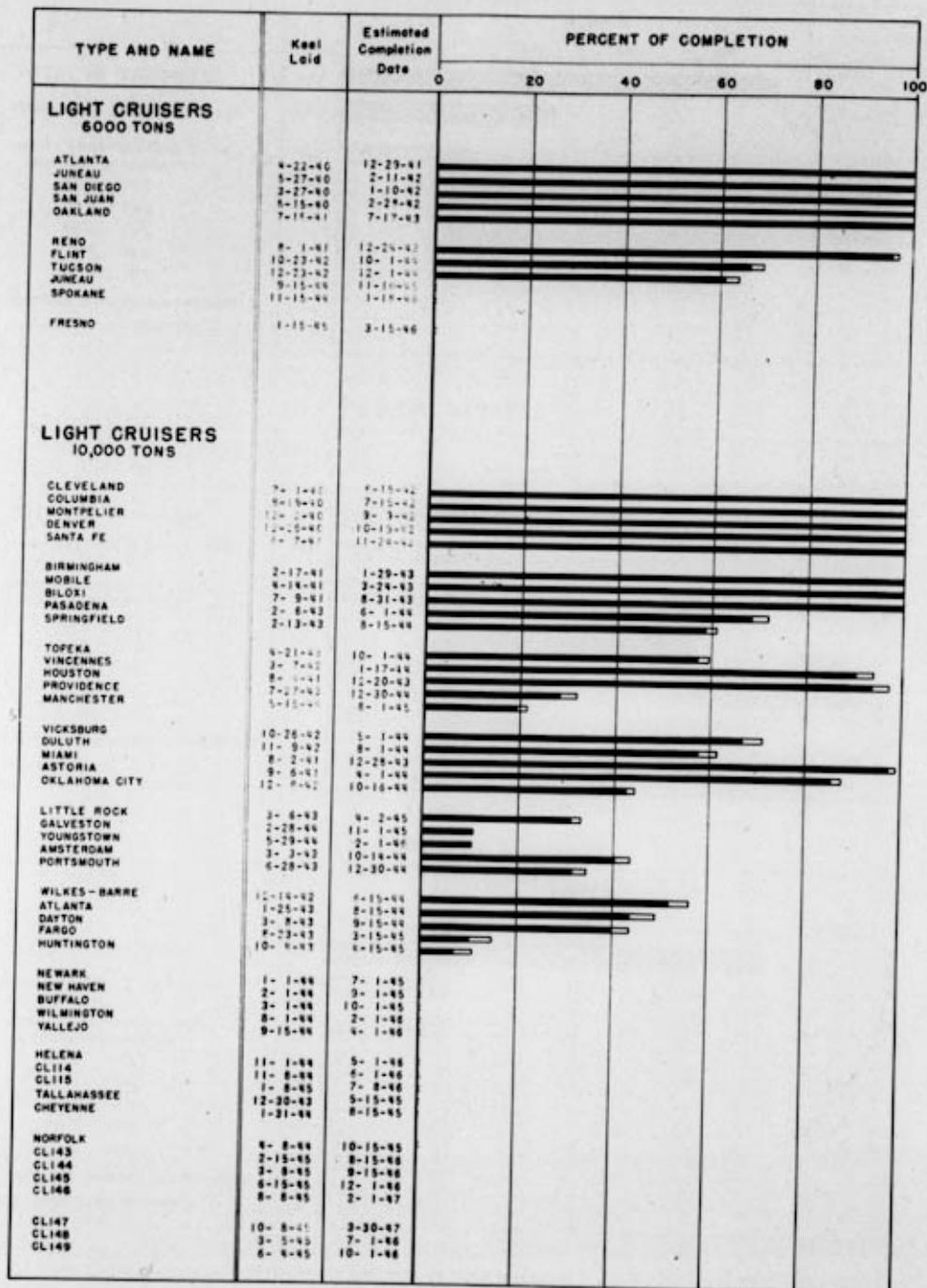


CHART 7

## CONSTRUCTION PROGRESS ON LIGHT CRUISERS

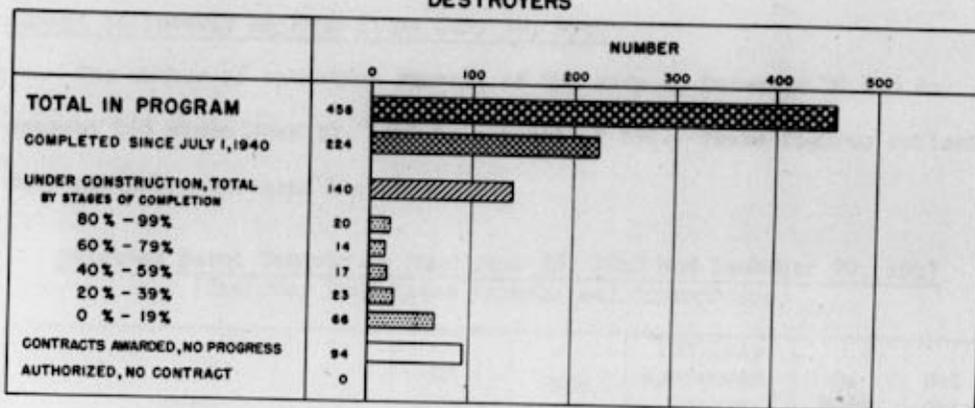

 PROGRESS JULY 1, 1940 TO NOVEMBER 1, 1943


 PROGRESS FOR NOVEMBER 1943


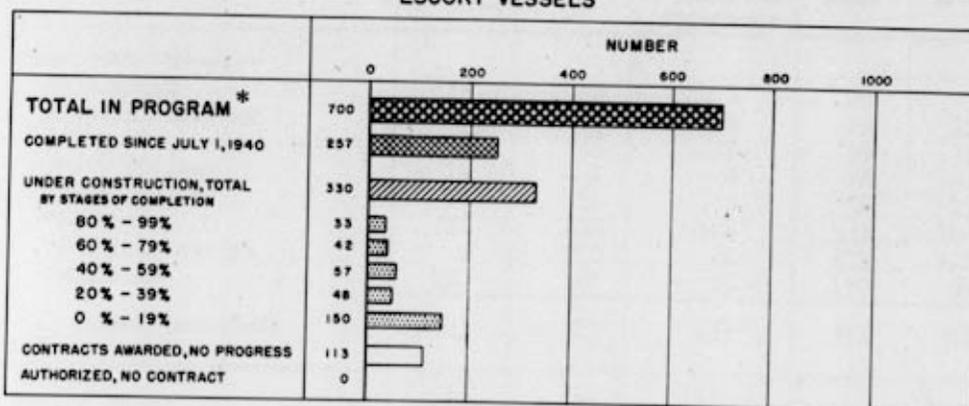
# DESTROYERS, ESCORT VESSELS AND SUBMARINES CONSTRUCTION PROGRAM

DECEMBER 1, 1943

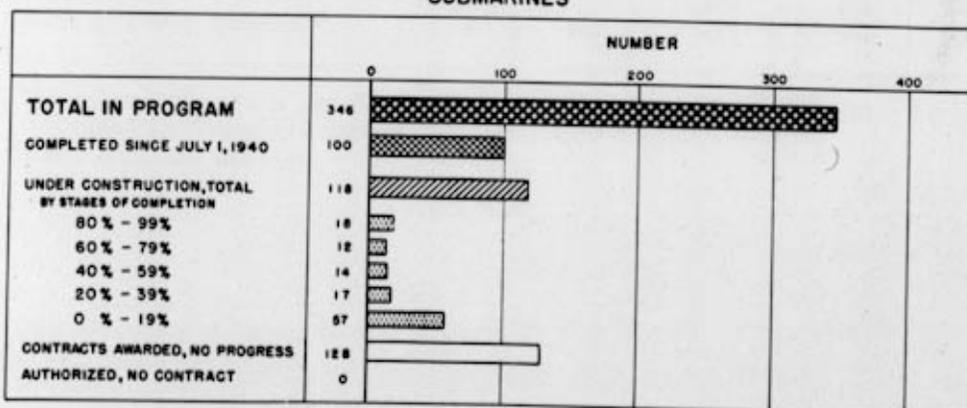
## DESTROYERS



## ESCORT VESSELS



## SUBMARINES



\* 205 VESSELS WERE CANCELED IN SEPTEMBER AND AN ADDITIONAL 100 SINCE OCTOBER 1.

Change in Vessels on Hand Since June 30, 1940

The number of combatant vessels of the Navy on December 20 had increased 468 since June 30, 1940 to a total of 851. These figures reflect only publicly announced losses.

Selected Naval Vessels on Hand June 30, 1940 and December 20, 1943  
(Includes Lend-Lease Vessels and Conversions)

Type	On Hand June 30 1940	New Comple- tions	Publicly Announced Losses, Transfers, & Reclasi- fications	On Hand Dec. 20 1943	Net Gain or Loss
<b>Combatant Vessels:</b>					
Battleship	15	8	1	22	7
Aircraft carrier	6	17	4	19	13
Aircraft carrier, escort	0	65	32	33	33
Heavy cruiser	18	4	6	16	-2
Light cruiser	19	14	3	30	11
Destroyer	225	232	124*	333	108
Destroyer escort	0	279	58	221	221
Submarine	100	102	25	177	77
<b>Total combatant</b>	<b>383</b>	<b>721</b>	<b>253</b>	<b>851</b>	<b>468</b>
Patrol craft	36	1,259	228	1,067	1,031
Mine craft	36	765	254	547	511
Auxiliaries	138	670	164	644	506
Landing force vessels**	0	842	273	569	569

\*9 reclassifications and 5 announced sinkings caused net reduction of 4 since last month's report.

\*\*LST, LSD, and LCI(L)

Analysis of Losses, Transfers, and Reclassifications

Seventy-one combatant vessels have been announced as lost by the Navy, 158 vessels transferred, and 47 vessels reclassified through December 31, 1943. In addition, during January the destroyer TURNER and the submarine POMPANO were reported lost.

Publicly Announced Losses, Transfers, and Reclassifications  
July 1, 1940 through December 31, 1943

Type	Lost	Transferred	Reclassified	Total
<b>Combatant Vessels:</b>				
Battleship	1	0	0	1
Aircraft carrier	4	0	0	4
Aircraft carrier, escort	1	33	0	34
Heavy cruiser	6	0	0	6
Light cruiser	3	0	0	3
Destroyer	39	50	46	135
Destroyer escort	0	66	0	66
Submarines	17	9	1	27
<b>Total combatant</b>	<b>71</b>	<b>158</b>	<b>47</b>	<b>276</b>
<b>Other Vessels:</b>				
Patrol craft	52	181	27	260
Mine craft	12	183	61	256
Auxiliaries	44	79	92	215
Landing craft*	10	252	13	275
<b>Total other</b>	<b>118</b>	<b>695</b>	<b>193</b>	<b>1,006</b>
<b>Grand total</b>	<b>189</b>	<b>853</b>	<b>240</b>	<b>1,282</b>

\*LST, LSD, and LCI(L)

Production of Naval Ordnance Materiel

The following table shows the deliveries of selected ordnance materiel for 1943 through November:

Deliveries of Selected Ordnance Materiel for 1943 Through November  
(Includes Defense Aid and Army Items Procured by the Navy)

Item	October (Revised)	November	Jan. 1 to Dec. 1	Scheduled Production 1943
<u>Torpedoes*</u>				
Surface craft	129	205	385	612
Submarine	872	794	7,120	1/8,153
Aircraft	718	855	5,856	1/6,623
<u>Surface Fire Guns</u>				
Heavy, 12" & 16"—turret	0	1	5	7
Medium, 8" & 6"—turret	1	9	38	45
Light, 4"	6	2	48	58
<u>Antiaircraft Guns</u>				
Heavy, 3" & 5"—mounted barrel	818	771	7,711	8,482
Light, 40mm and 20mm, mounted barrel	5,078	4,704	50,639	55,864
<u>Fire Control Equipment</u>				
Gun directors	304	330	3,288	3,621
Radar fire control	162	66	824	927
Gun sights, MK 14	2,796	2,192	20,861	23,461
<u>Ammunition</u>				
Heavy surface fire	4,210	4,871	33,687	37,037
Medium surface fire	31,731	52,220	292,731	335,481
Light surface fire	509M	490M	3,350M	3,954M
Antiaircraft:				
Heavy	499M	612M	5,056M	5,731M
Light:				
20mm	38,787M	37,847M	430,531M	468,631M
40mm	3,224M	3,775M	27,031M	30,231M
1.1	302M	316M	6,563M	6,838M

M = 1,000 rounds.

\*Turned into store.

1/ Data on the British type torpedo have been omitted this month, and the previous month's figures have been adjusted accordingly.

Personnel

The active duty strength of the Navy, Marine Corps, and Coast Guard increased from 2,798,885 on November 15 to 2,909,723 on December 15, an increase of 110,838. Of the total on December 15, 565,405 were regulars, 2,284,095 male reserves, and 60,223 female reserves.

Strength of the Naval Services, Nov. 15 and Dec. 15, 1943

	Navy	Marine Corps	Coast Guard	Total
Officers	222,068*	27,734	10,338	260,140
Officer candidates	123,694	10,786	1,551	136,031
Enlisted personnel	1,994,436	359,232	159,884	2,513,552
Total, Dec. 15	2,340,198	397,752	171,773	2,909,723
Total, Nov. 15	2,244,270	384,632	169,983	2,798,885
Increase	95,928	13,120	1,790	110,838
Percent incr.	4.27%	3.41%	1.05%	3.96%

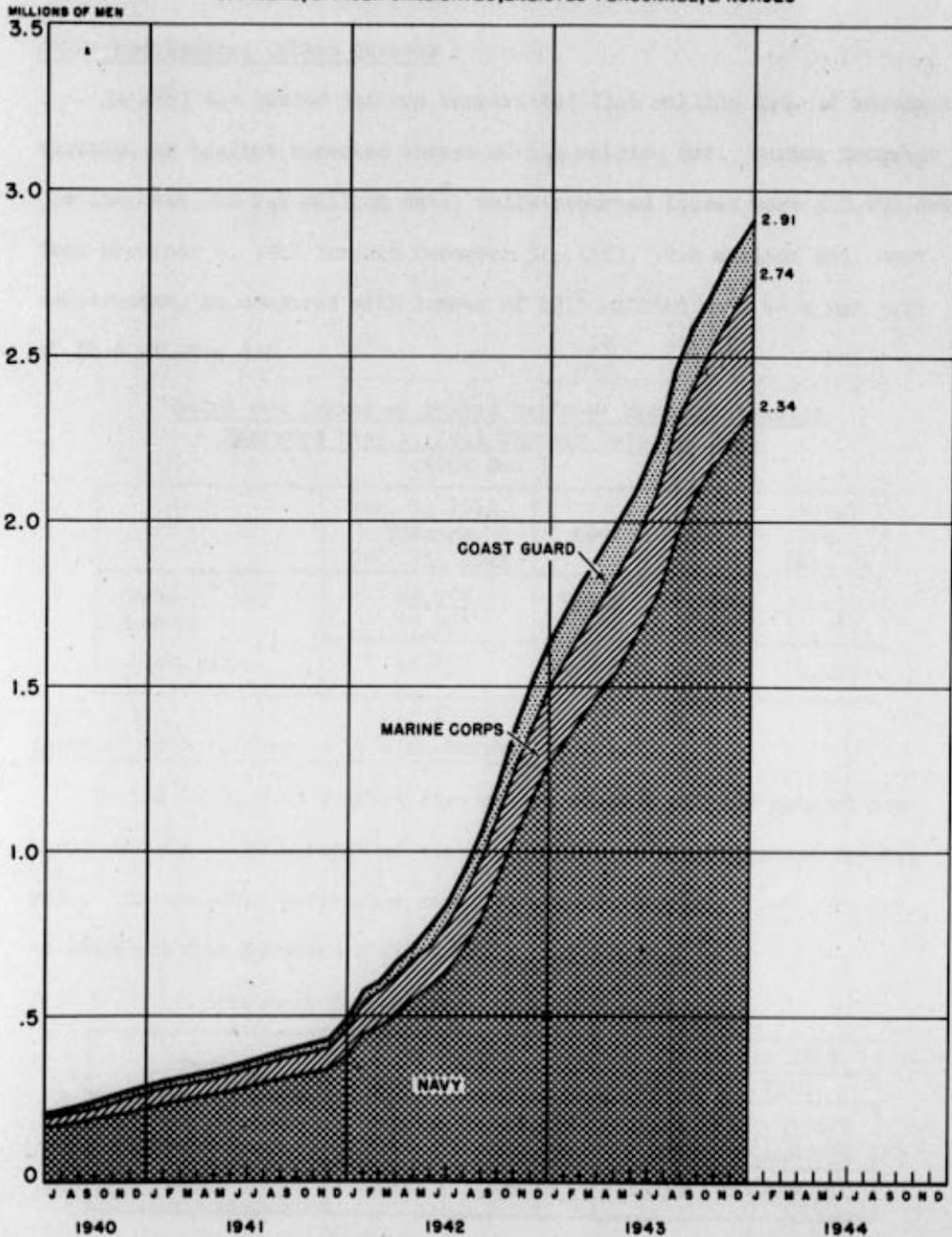
\*Includes 7,076 nurses.

Note: Strengths approved by the President are:

Navy ..... 2,912,000 by Dec. 31, 1944  
 Marine Corps ..... 478,000 by Jan. 1, 1944  
 Coast Guard ..... 174,000 by Jan. 1, 1944

### TOTAL ACTIVE DUTY STRENGTH OF NAVY, MARINE CORPS AND COAST GUARD

OFFICERS, OFFICER CANDIDATES, ENLISTED PERSONNEL, & NURSES



GAINS AND LOSSES OF MERCHANT OCEAN VESSELS  
AVAILABLE TO THE UNITED NATIONS  
V. MERCHANT SHIPPING

Gains and Losses, United Nations

In 1943 the United Nations constructed 21.6 million dwt. of merchant vessels, as against reported losses of 5.4 million dwt. During December the increase was 2.4 million dwt., while reported losses were 310,000 dwt. From December 1, 1941 through December 31, 1943, 32.4 million dwt. were constructed, as compared with losses of 17.8 million dwt. — a net gain of 14.6 million dwt.

Gains and Losses of United Nations' Merchant Vessels  
Reported Dec. 1, 1941 Through Dec. 31, 1943  
(000 Dwt.)

	Dec. 1, 1941 Through Oct. 31, 1943	Nov.	Dec.	Total to Dec. 31
Gains	28,155	1,915	2,370	32,440
Losses	17,305	172	310	17,787
Net gains	10,850	1,743	2,060	14,653

Merchant Ship Deliveries by U.S. Shipbuilders

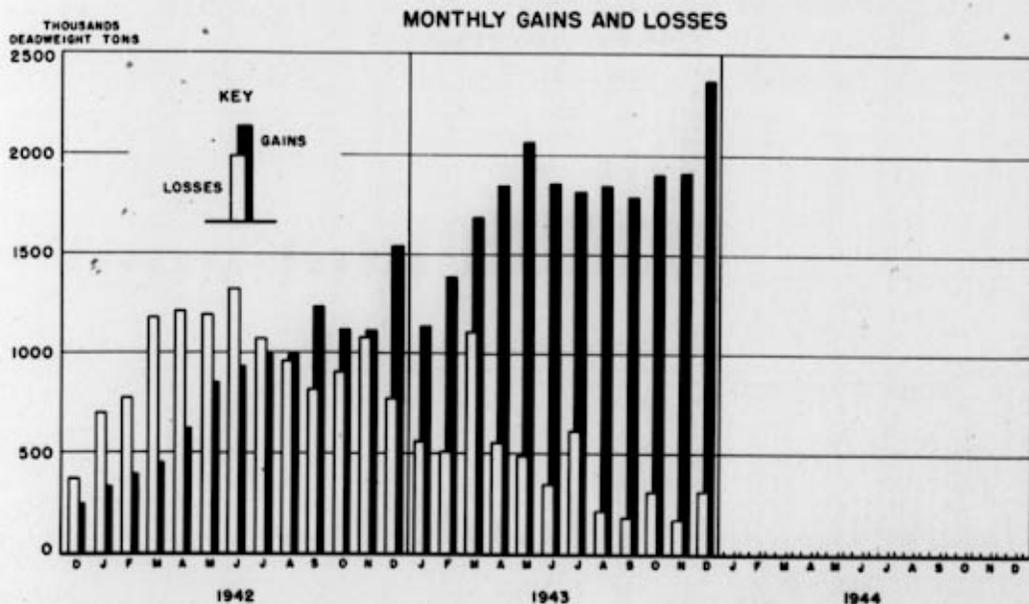
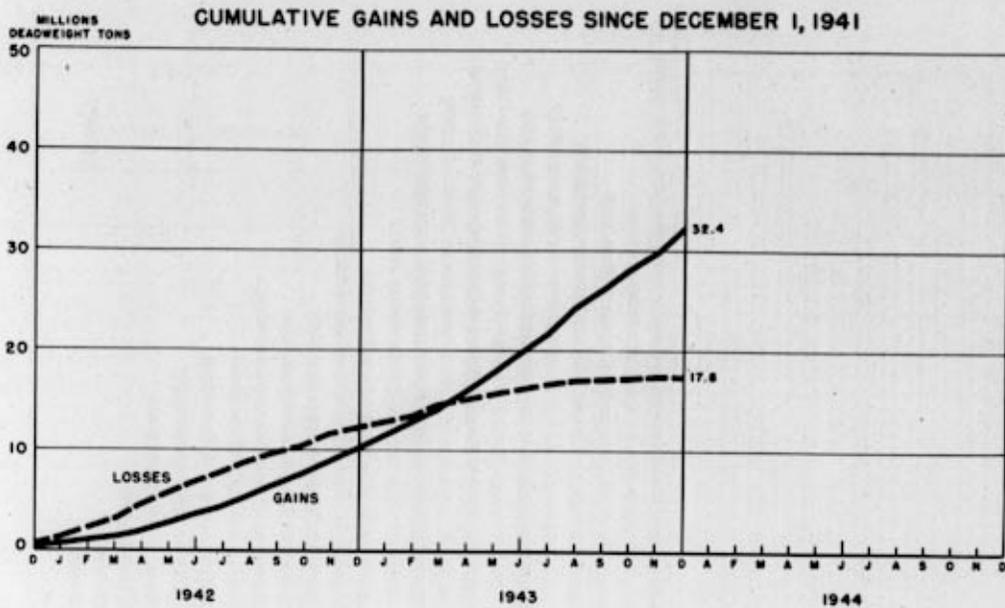
During 1943, U.S. shipbuilders delivered 18.5 million dwt. of merchant vessels — 98 percent of the 18.9 million dwt. programmed for the year. The December deliveries were 171 vessels totaling 1,960,013 dwt., as compared with November's 137 vessels at 1,576,938 dwt.

Merchant Ship Deliveries by U.S. Shipyards

Type	December		Total for 1943	
	Number	Dwt.	Number	Dwt.
Dry cargo	136	1,449,559	1,408	15,041,658
Tanker	35	510,454	231	3,448,794
Total	171	1,960,013	1,639	18,490,452

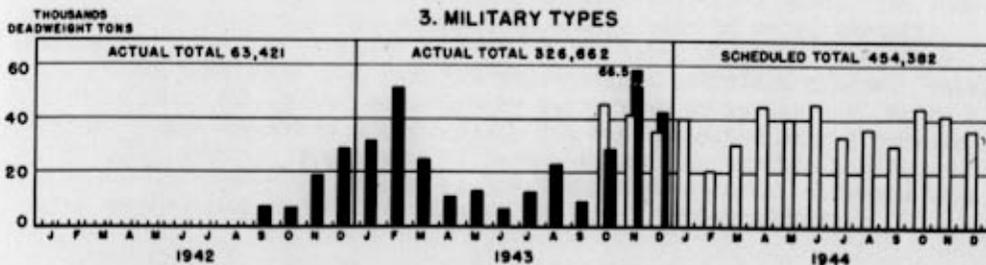
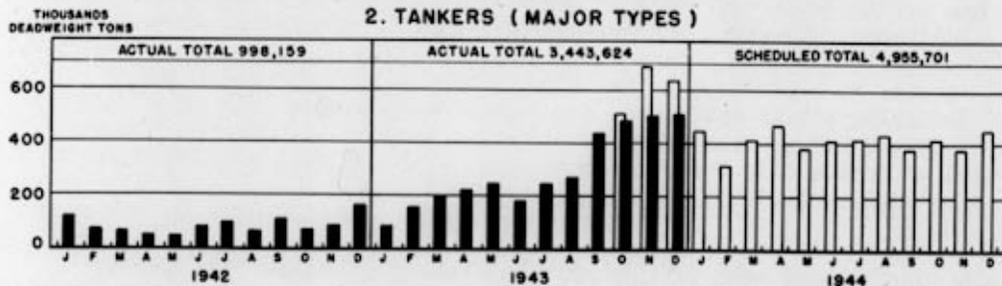
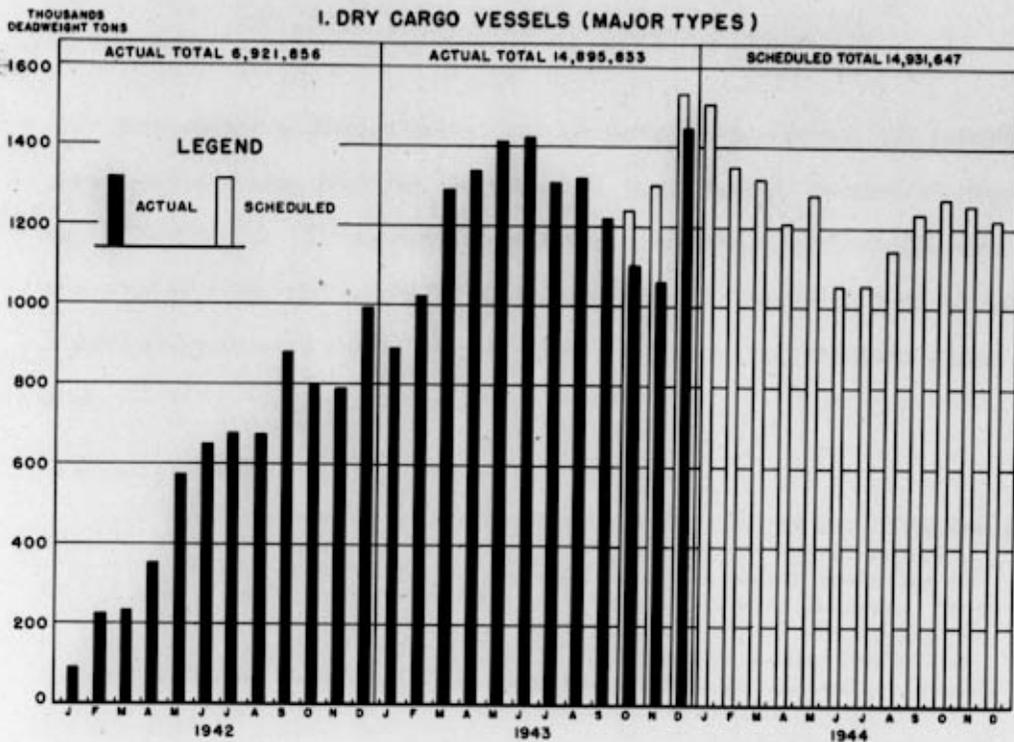
CHART 10

## GAINS AND LOSSES OF MERCHANT OCEAN VESSELS AVAILABLE TO THE UNITED NATIONS\*



\* BEGINNING WITH AUGUST 1943, MERCHANT VESSELS COMMISSIONED FOR MILITARY SERVICE ARE INCLUDED. LOSSES ARE ON A NOTIFICATION BASIS.  
SOURCE: WEEKLY REPORT OF THE COMBINED SHIPPING ADJUSTMENT BOARD

# DELIVERIES OF SHIPS BY U. S. MERCHANT SHIPBUILDERS



VI. REVIEW OF PRODUCTION IN SELECTED WAR INDUSTRIES  
(By the War Projects Unit of the Bureau of the Budget)

This review indicates that: (1) synthetic rubber output was retarded considerably during 1943 for the principal type, Buna-S, because of shortage of butadiene; (2) magnesium fabrication production difficulties have now been overcome and output is up to schedule; (3) supply of most of the principal nonferrous metals appears likely to exceed requirements during 1944.

Synthetic Rubber

The total new supply of synthetic rubber for 1943 is now estimated at 233,000 tons, as compared with 254,000 forecast in our August report. This will be supplemented by new supplies of crude rubber amounting to 60,000 tons. Requirements for 1943 have been materially lowered. They are now estimated at 531,000 tons, compared with 609,000 previously reported. This reduction in requirements will provide a somewhat better stock position on January 1, 1944 than was previously forecast. Total stocks will amount to 205,000 tons. For 1944, synthetic production is optimistically forecast at 818,000 tons, with crude imports estimated at 81,000 tons. Requirements for 1944 total 953,000 tons of synthetic and crude, leaving a balance of only 151,000 tons for carry-over into 1945.

In the August report, a considerable lag in production of Buna-S rubber during 1943 was forecast because of a shortage of its principal component, butadiene. Revised estimates recently made by the Rubber Director indicate that the 1943 production of Buna-S will amount to 183,000 long tons as compared with an estimate in May of 218,000 long tons — a reduction of 16 percent.

During 1943 butadiene production came chiefly from those plants using an alcohol base rather than from those using a petroleum base. The alcohol plants were operated in November at 136 percent of rated capacity, and for the year furnished 82 percent of the total supply of butadiene. Most of the remainder came from the conventional petroleum plants. Those plants planned for quick production by conversion of refineries (under a program of the Petroleum Administrator for War) supplied only 3 percent of the 1943 output. Depairment of Buna-S production through the lack of butadiene has been most serious in the Pacific Coast area, although this region contributes a minor portion of the total Buna-S program.

Production of styrene, the other major Buna-S component, is satisfactory, with plants running below their capacity through lack of demand.

Of the other types of synthetic rubber, butyl has had very little production to date, and the production difficulties are still serious. Neoprene production is up to schedule.

#### Magnesium Fabrication Plants

Facilities for magnesium fabrication were reviewed in the July report. Construction is now essentially complete, and the estimated available capacity in October 1943 was 87 percent of the maximum capacity.

Magnesium ingot continues to accumulate at the rate of about 5 million pounds per month. The stockpile on November 1, 1943 was 76 million pounds, a three-months' supply at the October rate of use.

Operations in the fabricating plants are now very satisfactory, with previous difficulties generally overcome. A comparison of current capacity, production, and requirements, with peak requirements and capacity for the main types of fabrication, is shown below:

#### Magnesium Fabrication Performance (Millions of Pounds per Month)

Type of Product	Peak Production		Performance, October 1944		
	Required	Capacity	Required	Actual Production	Available Capacity
Sand castings	24.96	15.38	8.07	6.33	12.11
Bomb castings		} 9.56	8.59	9.87	8.93
Other mold castings			.70	.36	.59
Die castings			.65	.25	.50
Forgings			.16	.03	.09
Extrusions	.45		.18	.43	
Strip and sheet	.81	.12	.26	.12	.75
Powder	1.19	2.41	2.20	2.12	2.32
Total	26.15*	29.42*	20.37	19.26	25.72

\* Advanced 5 million pounds per month over April 1943 estimate.

In 1943, 74 million pounds of fabricated magnesium, or 30 percent of the total fabricated, were required for aircraft. In 1944, 119 million pounds, or nearly 35 percent of the total requirements, will go into aircraft. WFB established requirements, by user, are shown on the following page.

Estimated Distribution of Magnesium Requirements  
For 1943 and 1944, by Use

Use	Magnesium Requirements (Millions of Pounds)			
	1943*		1944	
	Amount	Percent	Amount	Percent
Aircraft	74.4	30.5	119.2	34.0
Non-Aircraft:				
Army	77.7	31.9	151.5	43.2
Navy	4.4	1.7	5.5	1.6
Export	66.8	27.4	37.7	10.8
Other	20.7	8.5	36.3	10.4
Total	244.0	100.0	350.2	100.0

\*Includes nine months actual.

Principal Nonferrous Metals

A review of the supply and requirements of the six principal non-ferrous metals—aluminum, magnesium, copper, zinc, lead, and tin—for 1943 and 1944 shows that a considerable volume of reserve stocks is accruing and will increase in 1944 (particularly for aluminum, copper, and zinc) under present estimates of production and forecasts of demand. The following table summarizes the position in supply and requirements for these metals for 1944:

Supply and Requirements for 1944 of Selected Nonferrous Metals

	Aluminum	Magnesium	Copper	Zinc	Lead	Tin
	(Million pounds)			(Thousand tons)		
<u>Stocks Jan. 1, 1944</u>						
Working	680	40	604	397	236	31
Reserves	580	65	166	321	255	94
Total	1,260	105	770	718	491	125
<u>New Supply, 1944</u>	3,372	498	3,588	1,309	1,090	73
<u>Requirements, 1944</u>	3,038	467	3,444	1,030	1,130	86
<u>Stocks Dec. 31, '44</u>						
Working	769	50	654	397	161	31
Reserves	825	86	260	600	290	81
Total stocks	1,594	136	914	997	451	112

In the light metals, additional margins of reserves appear possible through further reduction in estimates of 1944 requirements. In copper, further reduction in the ammunition program is expected to make available additional reserve stocks. There exists a large unsatisfied demand for copper in the form of wire for military needs, for Russian lend-lease and for domestic communication services. In zinc, some curtailment in high-cost domestic production appears feasible. Requirements for 1944 in these nonferrous metal programs are under further review.

## STATUS OF SELECTED CRITICAL AND STRATEGIC MATERIALS

VII. STOCKPILE AND PUBLIC PURCHASES OF BASIC WAR COMMODITIES

Strategic and critical materials are purchased by the Government:

(1) for stockpiles to be used only in case of an emergency with respect to the specific items concerned; (2) for stockpiles to be released only by WPB; and (3) for resale to industry currently upon receipt. The following table shows the status of selected items as of December 15, 1943:

Status of Selected Stockpile Commodities -- December 15, 1943

Commodity	Unit of Measure	Recommended Purchase Program	Percent of Purchase Program		
			Stockpile Inventory Dec. 15 1943	Inventory Increase Since Nov. 15	Inventory Increase Since Pearl Harbor
Alcohol	1,000 gal.	185,000	23%	-8%	23%
Antimony, metal	Tons	25,914	49	0	18
Chrome ore	1,000 l.t.	2,250	35	2	22
Diamond dies	Dies	60,000	14	0	8
Manganese ore	1,000 l.t.	3,900	24	3	12
Manila fiber	1,000 bales	2,037	2	-1	-6
Mercury	Flasks	77,500	88	7	82
Mica	Tons	16,995	67	0	51
Nickel, content of matte	Tons	<sup>1</sup> / <sub>15</sub> ,000	0	0	0
Nitrate of soda	1,000 tons	2,100	<sup>2</sup> / <sub>1</sub>	0	-1
Opium	1,000 lbs.	640	101	0	101
Quartz crystals	1,000 lbs.	2,199	205	-2	137
Quinine sulphate	1,000 av.oz.	12,450	24	0	-34
Rubber	1,000 l.t.	<sup>3</sup> / <sub>1</sub> ,900	6	-1	-12
Silk	1,000 bales	50-100	10	0	2
Tin, refined	1,000 l.t.	<sup>1</sup> / <sub>360</sub>	14	-1	0
Tungsten	Tons	48,000	31	2	15
Zinc concentrates	1,000 tons	<sup>1</sup> / <sub>1</sub> ,500	21	4	16
Zinc, metal	Tons	430,000	33	3	33

<sup>1</sup>/ Part or all of this amount consists of recommended purchases per annum.

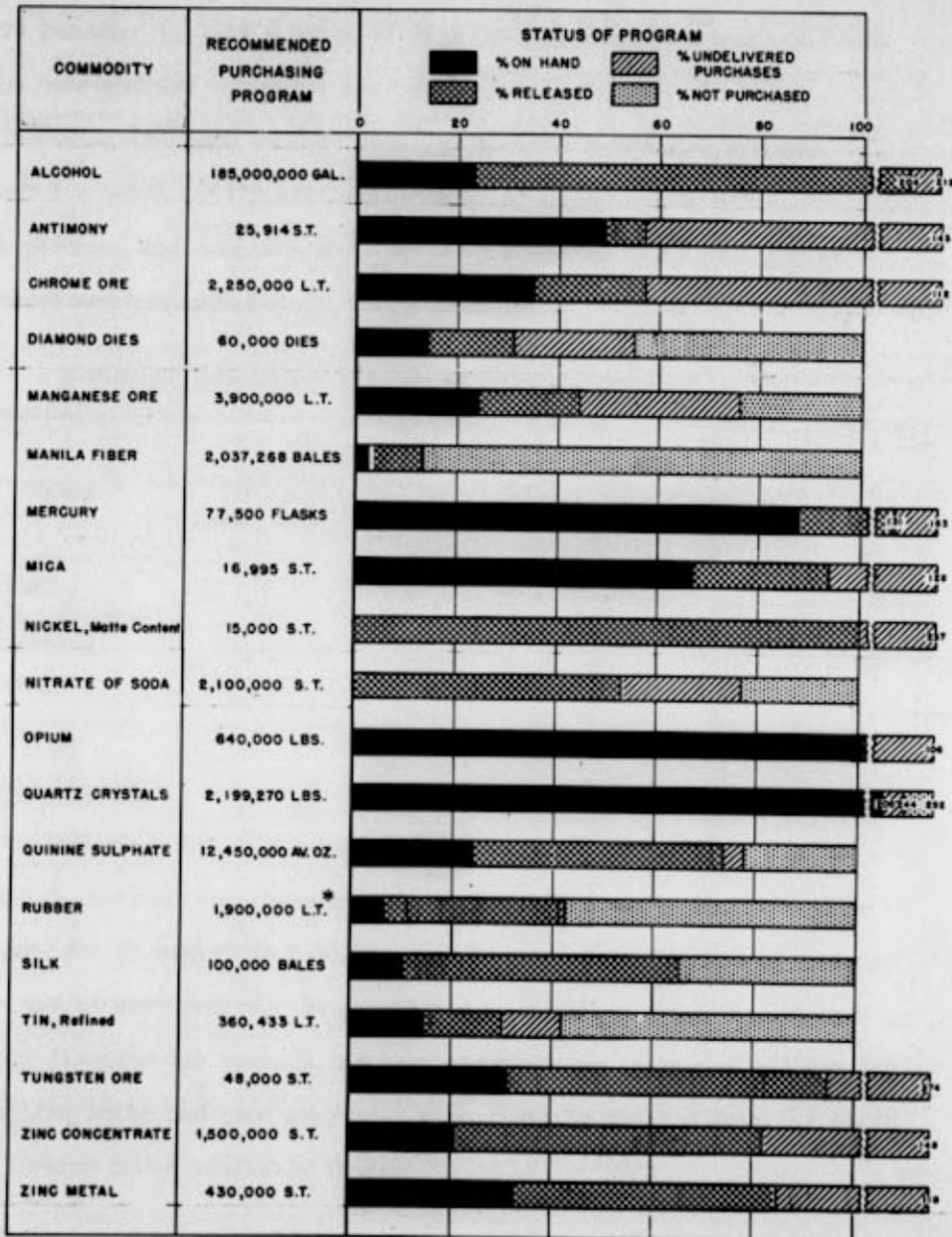
<sup>2</sup>/ 88,770 tons stored in Chile.

<sup>3</sup>/ Latest program recommends purchase of all available.

# STATUS OF SELECTED CRITICAL AND STRATEGIC MATERIALS

(PERCENTAGES BASED ON QUANTITIES IN RECOMMENDED PURCHASE PROGRAM)

AS OF DEC. 15, 1943



\*LATEST PROGRAM RECOMMENDS PURCHASE OF ALL AVAILABLE

VIII. WAR HOUSINGPublicly Financed

To December 1, 1943 a total of \$2.2 billion had been made available for the construction of public war-housing projects.

Including the Home Owners' Loan Corporation conversion program, to December 1 a total of 779,692 family dwelling units, dormitories for single persons, and trailers had been programmed, of which 607,554 or 78 percent had been completed.

Status of Public War Housing Program -- December 1, 1943

Status	New Construction				HOLC Conversions	Total Program
	Family Dwelling Units	Dormi- tories	Trailers	Total	Family Dwelling Units	
Completed	417,200	141,086	37,195	595,481	12,073	607,554
Under construction	75,803	20,209	4,703	100,715	18,481	119,196
Not started	22,773	574	4,950	28,297	24,645	52,942
Total	515,776	161,869	46,848	724,493	55,199	779,692

Privately Financed

In addition to the public war-housing program, Title VI of the National Housing Act provides for insurance by the Federal Housing Administration on mortgages, not to exceed \$1.6 billion in the aggregate, on houses designed for the use of war workers. To December 1, a total of 292,477 mortgages on privately financed war housing had been accepted for insurance and 267,267 new dwelling units had been started. Approximately 396,300 dwelling units can be insured under available funds.

## II. AGRICULTURE AND WAR FOOD ADMINISTRATION

Adding crops and livestock together, 1943 production exceeded last year's by 5 percent, and it is estimated that cash farm income from marketing will be 25 percent greater than in 1942. Parity price ratio at 115 for 1943 was 11 points higher than for 1942.

### Production

The production record of the year is one of which the country may be proud. With less favorable weather and mounting difficulties in connection with labor, machinery, supplies, and transportation, farmers turned out more food than in 1942, the year of the best farming weather in the twentieth century. Crop output was down somewhat from 1942, but this was the year of amazing livestock output. Adding crops and livestock together, the year's production exceeded last year's by 5 percent. In December the market was glutted by pork and egg products. The latter circumstance, developing in late December, was unique in that heretofore the egg supply at Christmas time has been tight. That it should be so ample in this war year indicates the stupendous size of the egg production.

### Farm Income

Total cash income from marketings for 1943 is likely to be around \$19.3 billion as compared with \$15.5 billion in 1942 — a 25 percent increase. Including Government payments of some \$600 million, a total of about \$19.9 billion is in prospect. Cash income from farm marketings in November is estimated at \$2,012 million as compared with \$1,764 million in November 1942 — up 14 percent.

### Prices

The index of prices received by farmers rose 5 points from November to December, reaching 197 (August 1909-July 1914 = 100). The index of prices paid, interest and taxes, rose 1 point to 168. The calendar year averages for 1943 are 188 for prices received and 163 for prices paid, interest and taxes — parity price ratio, 115. The latter is 11 points higher than the parity price ratio for 1942.

### Support Prices for 1944

During December a WFA committee worked out a complete schedule of recommended support prices on all major farm commodities, in consultation with the Office of Price Administration and the Office of Economic Stabiliza-

sation. No announcement of the schedule has been made because of the uncertain status of the Commodity Credit Corporation and its authority to carry out the program. The schedule of price supports as set up tentatively will be above the existing ceiling levels for soybeans, flaxseed, peanuts, certain vegetables for canning, and sugar beets. It calls also for continuance of the production payments direct to dairymen in lieu of raising the ceilings on milk and dairy products. The total cost of providing the proposed prices or payments, and at the same time holding the line on retail prices, would be somewhat more than \$600 million.

#### Farm Machinery and Supplies

Because any let-up in full utilization of all farm machinery would be undesirable, if not dangerous, WFA reemphasized during December, through all media, the imperative nature of "caring, repairing and sharing" again in 1944. The production of farm machinery continued to accelerate. Some problems arose relative to tractor production, because of similar demand for the same components in making tractors and landing craft.

With prospects that wooden containers might be 10 to 20 percent short of needs for fruits and vegetables, attention of growers and shippers was again being called to this situation at year's end. Plans were made to reemphasize the need for reuse of wooden containers.

#### Food Distribution

It appears that the 1944 civilian food supply will be at least as high in nutritive value as the national diet in any recent year.

In line with WFA's policy to make available to civilians all supplies in contingency reserves which were not needed for emergency war purposes, 1,650,000 cases of peaches, 1,800,000 cases of tomato catsup, and 230,000 cases of apples were released during December.

To help absorb supplies of shell eggs which are increasing seasonally and causing marketing problems, especially in the midwest, WFA will accept all offers of dried whole eggs for February delivery. As indicated above, supplies of eggs through the flush season of production, which is just beginning, are expected to reach new record levels. In order to maintain the support price, it may be necessary for WFA to purchase shell eggs.

To hog feeders who are sending their hogs to market now for fear they will go beyond the support weight, more assurance has been given by extending the price support program to include good and choice butcher hogs weighing 270 to 300 pounds. Hog marketing recently has been much more orderly than it has been for a number of weeks.

Because the war services and military hospitals have been unable to get the quantities of chickens needed, WFA has issued an order, effective December 30, setting aside freezer stocks of chickens for purchase by the Government. For several months the Armed Services have been unable to obtain more than 20 percent of actual requirements from vendors and holders of storage stocks. The order does not apply to current marketings, thereby leaving this supply for civilians.

To aid in channeling more milk and cream into the most essential war-time dairy products, such as cheese, evaporated milk, and butter, WFA is considering limiting the production of special-type filled milks, creams, and special cheeses. These products are drawing fairly large quantities of milk away from the three major manufactured dairy products.

#### New Cork Substitute from Farm Wastes

A new type of cork substitute, made from farm products, such as corn-stalks, which yield pithy particles, has been developed for use in making discs for bottle caps.

## I. ECONOMIC STABILIZATION PROGRAM

Temporary continuance of the Commodity Credit Corporation postpones Congressional action on subsidies until February. Failure of Congress to meet the revenue requirements and uncertainty concerning future wage controls may weaken the stabilization program.

**Prices—Cost-of-Living:** A decline of 0.2 percent in the cost of living between mid-October and mid-November, resulting mainly from seasonally lower fresh fruit and vegetable prices, halted the rise of the two preceding months.

**Prices—Farm:** Prices received by farmers increased 2.6 percent to a total of 117 percent of parity during the month ending December 15, as prices paid rose 0.5 percent. Congressional extension of the Commodity Credit Corporation to February 17, 1944 postponed settlement of the subsidy issue. Announcement of 1944 support prices for war crops and other critical commodities, needed at once if farm production is to be properly planned, will probably await Congressional action on the CCC bill.

**Wages:** Confusion over Government wage policy is mounting as a result of the settlement in coal and railway cases. Labor pressure to upset the Little Steel formula is evident in many basic industries, including steel, textiles, automobiles, and clothing.

**War Bonds:** Net sales of war savings bonds in December amounted to \$646 million as redemptions (mainly Series E) reached a new high—\$207 million or 24 percent of total sales. Plans for the Fourth War Loan Drive, to begin January 18, include a quota on Series E of \$3 billion, no higher than for the Third War Loan Drive, when sales of Series E failed to reach the goal.

**Taxes:** The Senate Finance Committee has reported a tax bill which is estimated to yield in a full year \$2.3 billion, only slightly more than the measure passed by the House. The bill also postpones for another year \$1.4 billion of Social Security payroll collections. Extensive amendments to the renegotiation statute contained in the bill would cripple renegotiation, in the opinion of contracting agencies.

## RECEIPTS, EXPENDITURES AND PUBLIC DEBT

XI. WAR FINANCES

## WAR EXPENDITURES

Expenditures

Expenditures for war purposes during December were \$7.0 billion, bringing the total for the calendar year to \$85 billion. For the first half of F.Y. 1944, expenditures amounted to \$43.4 billion, or 47 percent of the revised estimate of \$92 billion for the fiscal year.

	Nov.	Dec.*	6-Month Average for F.Y. 1944
	( Billions )		
Monthly rate	\$7.8	\$7.0	\$7.2
Adjusted annual rate	93.8	84.0	86.5

\*R.F.C. disbursements estimated.

Appropriations

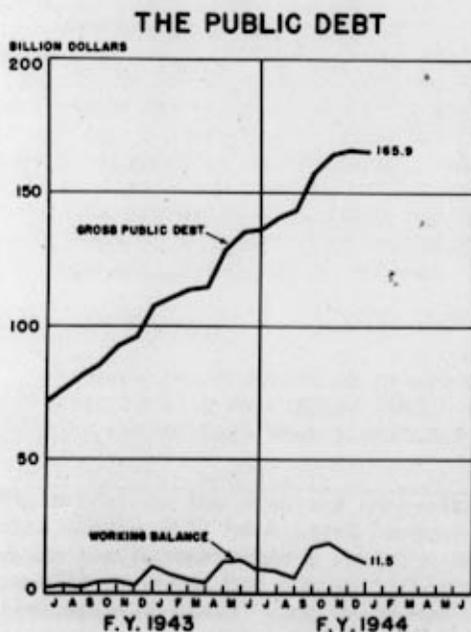
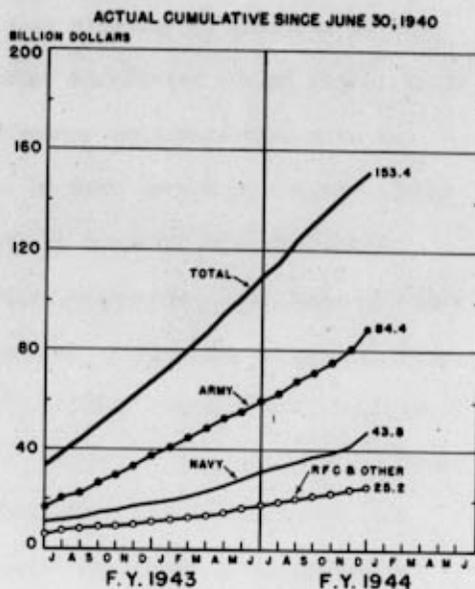
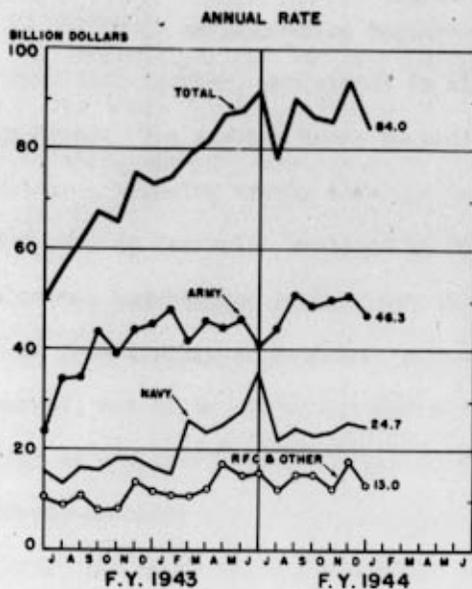
Due largely to an increase of \$3.6 billion in the estimate of appropriations required after June 1944 to complete the Navy shipbuilding program, appropriations, other Congressional authorizations, and commitments of Government corporations for war purposes increased \$4.1 billion in December to a total of \$347.7 billion. Net expenditures against this amounted to \$153.4 billion.

Appropriations and Expenditures, F.Y. 1941 Through Dec. of F.Y. 1944  
(Billions)

	Appropriations & Authorizations			Expenditures
	F.Y. 1941 Thru F.Y. 1943	F.Y. 1944	Total	F.Y. 1941 Thru Dec. 1943
War	\$ 126.7	\$59.0	\$185.7	\$ 84.4
Navy	47.5	28.3	75.8	43.8
Maritime Commission	11.0	.03	11.0	5.8
Govt. corps. (commit.)	19.9	1.8	21.7	7.1
Other	32.7	3.6	36.3	12.3
Est. approp. required beyond F.Y. 1944 for completion of Navy	—	—	17.2	—
<b>Total</b>	<b>\$ 237.7</b>	<b>\$92.7</b>	<b>\$347.7</b>	<b>\$153.4</b>

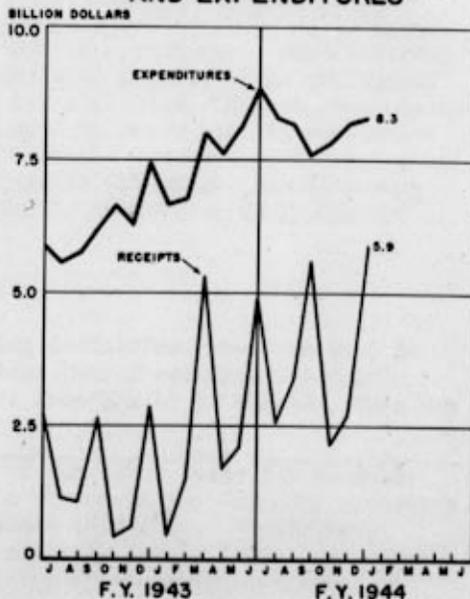
# RECEIPTS, EXPENDITURES AND PUBLIC DEBT\*

## WAR EXPENDITURES



\* BASED ON THE DAILY STATEMENT OF U.S. TREASURY

## TREASURY RECEIPTS AND EXPENDITURES\*\*



\*\* EXCLUDES PUBLIC DEBT ACCOUNTS

## XII. MANPOWER

Although manufacturing employment rose slightly in November as compared with October, employment in all other industries except retail trade declined. The average hours worked by factory employees also rose in October, bringing weekly earnings to the highest levels on record. Labor turnover in factories declined in October as compared with September, although absenteeism in many war industries increased. More man-days were lost from strikes in November than in October, reflecting increased labor unrest, and it is estimated that about 14 million man-days were lost in 1943 as compared with 4 million in 1942. Trends in the labor market were mixed; cutbacks and contract cancellations eased the situation in some areas, but in 69 areas acute labor shortages developed or continued.

### Employment\*

Employment in non-agricultural establishments, as reported to the Bureau of Labor Statistics, was 38,251,000 in November 1943, as compared with 38,276,000 in October 1943 and 38,533,000 a year ago. Manufacturing employment has risen slightly in the last three months, while employment in mining, construction, transportation and utilities, finance, and miscellaneous industries has declined. Employment in trade rose in connection with holiday sales (mostly part-time employment) and Government employment rose from September to October but declined in November. Manufacturing employment in November 1943 was 16,235,000 as compared with 15,434,000 a year ago and 13,566,000 in December 1941.

### Hours and Earnings

Average hours worked in manufacturing industries rose from 44.7 in September to 45.4 in October 1943. Average hourly earnings declined slightly but average weekly earnings rose from \$44.43 to \$44.90. This was

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\*This report on the size and composition of the labor force for December and January will be delayed because of a change in the sampling procedure which has necessitated a revision of recent estimates. Preliminary results from the new sample indicate a slightly larger labor force (particularly of women) than the recent figures cited in this report.

15 percent above the level of earnings in October 1942. In the durable goods industries, weekly earnings averaged \$51.46 (for 47.3 hours of work), in a range from \$32 in brick, tile, and terra cotta products plants to \$63.51 in locomotive plants. In nondurable goods factories, weekly earnings averaged \$35.18 (for 42.7 hours of work), in a range from \$19.20 in mills producing cotton work-shirts to \$56.49 in rubber tire factories.

#### Absenteeism and Turnover

Absence rates in war industries in October ranged from 3.0 in petroleum refining to 11.2 in bituminous coal mining. Most industries had higher rates of absenteeism in October as compared with September 1943.

Labor turnover, on the other hand, declined in October as compared with September, as the result of a slackening in the rate of quits. The separation rate for all manufacturing industries was 6.91 in October as compared with 8.16 in September. The separation rate in war industries in October ranged from 3.75 in blast furnaces, steel works, and rolling mills to 11.33 in aluminum and magnesium smelters and refineries. In the aircraft industry, the separation rate was 6.43 and in shipbuilding, 9.56. In most industries for which comparisons can be made, the rate of turnover is considerably higher for women than for men.

#### Strikes

During November, there were 300 strikes involving 500,000 workers and an estimated loss of 2,825,000 man-days of work. Preliminary estimates for the year 1943 (calculated on the experience of eleven months) indicate almost 14 million man-days lost from strikes this past year as compared with slightly over 4 million in 1942. Four coal strikes are responsible for almost two-thirds of this increase.

#### Stringencies in the Labor Market

Of 358 labor-market areas surveyed by the War Manpower Commission as of December 1, 1943, 69 were classified as Group I areas with acute labor shortages and 124 as areas of labor stringency in Group II. Mixed trends in labor-market conditions in war industry centers were responsible for recent changes made in classification of areas. Fifteen areas were moved upward in classification as the result of increasing stringencies in the labor market, and 17 areas were reclassified downward as Ordnance outbacks or contract cancellations reduced area labor requirements materially.

Controlled referral programs have been inaugurated by the War Manpower Commission in each of the five West Coast areas.

### XIII. ADMINISTRATIVE DEVELOPMENTS

In administrative developments, December was relatively uneventful.

#### Office of Price Administration

Relations of the OPA with the supply agencies generally continue to improve. New problems are developing, however, in determining prices for low-cost clothing and textiles, and for consumer durable goods for which the WPB has been able to allocate materials in limited quantities. In many instances, the prices which were charged for the articles when last produced are barely sufficient to cover manufacturing costs. As reconversion proceeds, there will be many such questions to be worked out by the WPB and OPA with the Office of Economic Stabilization.

Internal administrative developments during December included greater centralization of control of administrative services in the Rationing Department, consolidation of the Industrial Materials Division and the Industrial Manufacturing Division in the Price Department, and substantial completion of rent registration in New York City.

#### War Production Board

Morale within the WPB continued to be less than satisfactory during December, in part due to lack of clarity as to the agency's role in the period of partial reconversion of industry. The top-side organization of the Board was also confused during December by the activity of the Executive Vice Chairman, whose resignation had been submitted, in arranging the transfer of responsibility for field operations from the old position of Operations Vice Chairman to that of the Vice Chairman (staff), and in establishing the position of Vice Chairman for Metals and Minerals (with responsibility for Steel, Copper, and Aluminum Divisions and the Minerals Bureau).

#### Office of War Information

During December the London Office of the Office of War Information was in the process of being reorganized so as to enable it to perform psychological warfare tasks connected with strategic military plans. Parts of the Psychological Warfare Branch in Algiers were moved to London as well as top policy personnel from Washington. For the second time, the Office of War Information thus decentralized some of its operations to the military theatre. The pattern of cooperation between the American Psychological Warfare Branch and the British Political Warfare Executive worked out in North Africa was applied to the northern European theatre.

### Transportation

The War Shipping Administration's recruitment and manning organization succeeded in supplying crews for the large fleet of new vessels placed in service during the past several months. Very few vessels were delayed for want of crew.

Shortages of tires, parts, and manpower were seriously impairing the ability of the trucking industry to handle the traffic offered to it. Effective relief was not yet in prospect.

In an effort to relieve storage congestion at ports, ODT extended the control system on export traffic to apply to traffic moving to port storage facilities.

Friction between ODT and ICC over the control of rail traffic continued.

### State Department-FEA Relations

December brought continued progress in clarifying the working relations between the Foreign Economic Administration and the Department of State. A detailed communications agreement was concluded--implementing the general accord of November 11--which promises to speed up considerably the clearing and dispatching of FEA messages to the field. A second detailed agreement defining State-FAE relations in the field is also in process. Finally, preliminary plans were laid for a series of meetings at which representatives of the two agencies will discuss liaison arrangements and other mutual problems.

### Foreign Economic Administration

The formal reorganization of the Foreign Economic Administration was nearly completed. The real problem is the establishment of adequate leadership in the top levels of the organization, the activation of the plan by the instruction of staff all down the line in their responsibilities under the new set-up, and the revision of the internal operating methods in accordance with the plan.

The abnormal delays in activation of the organizational plan and the lack of competent personnel in some key positions have resulted in even further lowered morale in certain parts of the organization and the resignation of some top executives.

### Relief and Rehabilitation

On the basis of the President's letter to the Secretary of War on November 10, the Armed Services have been moving rapidly ahead in planning for relief in liberated areas. The leadership now being shown by the

Chief of the War Department's Civil Affairs Division in coordinating the scattered plans which have been made by many agencies is encouraging. The Civil Affairs Division, with the assistance of the Army Service Forces and the Foreign Economic Administration, has formulated a complete set of over-all import requirements for all of Europe. These estimates have been agreed to by the British; allocations will be requested of WPB and WFA, and procurement programs will be instituted. Certain major administrative problems remain unsettled, however, particularly in the field of military-civilian relationships.

The War Department has officially taken the position that it should not, as a general rule, serve as the contact point for the United Nations Relief and Rehabilitation Administration and foreign governments with the United States Government. This applies to the period of military control of civil affairs. In fact, however, such contacts are being maintained by the foreign claimants with the military. A diffusion of responsibility for such liaison will afford foreign governments the opportunity to go to several U.S. agencies at one time, to the disadvantage of the Government as a whole. Every effort needs to be made to bolster the position of the FEA as the channel for dealing with UNRRA and foreign claimants.

The resolutions passed at the first UNRRA Council Session at Atlantic City suggest the necessity for a close integration of military plans and UNRRA plans. Steps should be taken now looking toward a smooth transition from military to civilian control. Since the military do not desire to have continuous contacts with UNRRA, FEA will have to be prepared to serve as a bridge between the two. To date it has been slow in gearing itself for this job. It should be equipped to perform this role so far as the U.S. is concerned, since it is now servicing the military in planning and procurement and will later service UNRRA in a somewhat similar capacity.

An early transition cannot be effected unless the pipeline of supplies to victims of war is kept full, regardless of whether distribution is handled by the military or by civilians. In order for UNRRA to plan procurement, it must be informed of total reserves required to meet future needs, supplementing and continuing to supply the goods the Army handles. For procurement planning purposes, the Army is assuming that it will maintain control over relief for a period of six months. Since the actual period of control may be for a shorter period, the Army must have full knowledge of the supplies it possesses for relief and must relinquish them to civilian agencies or UNRRA when it relinquishes control in the field. Only in this way can the pipeline be maintained at an even level. Conversely, civilian agencies or UNRRA must be willing to turn over supplies accumulated for the post-six months period should the exigencies of war require the military to continue in control. These supply problems are being evolved but much has yet to be done.

The relationship between UNRRA and the Combined Boards is still not clear. As reported last month, the UNRRA Council, on the insistence of the U.K. and U.S. delegates, maintained that UNRRA should go to the Combined Boards for its supplies. This procedure will continue to meet the resistance of other supplying countries not represented on the Boards. It has also raised organizational problems related to the internal structure of the Boards and confusion as to the respective functions of the Boards and FEA. The latter, with responsibility for serving as claimant for every foreign account, will be short-circuited if UNRRA goes directly to the Combined Boards. This problem may be met, however, if FEA can be more closely geared to the U.S. constituents of the Boards.

Coordinator of Inter-American Affairs

The CIAA program is moving forward smoothly on all fronts. Certain areas of responsibility with FEA on economic matters still remain to be worked out but the Coordinator is moving ahead with his program.

PRESIDENT'S SECRETARY'S FILE  
Subject File  
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Rpts.Natl.Def.:Jan.-Mar.1944  
Box 96